

Eighth Series, Vol. VII No. 9

Friday, August 2, 1985

Sravana 11, 1907 (Saka)

LOK SABHA DEBATES

(English Version)

Third Session
(Eighth Lok Sabha)



(Vol. VII contains Nos. 1 to 10)

LOK SABHA SECRETARIAT
NEW DELHI

Price : Rs. 4.00

[ORIGINAL ENGLISH PROCEEDINGS INCLUDED IN ENGLISH VERSION AND
ORIGINAL HINDI PROCEEDINGS INCLUDED IN HINDI VERSION WILL BE
TREATED AS AUTHORITATIVE AND NOT THE TRANSLATION THEREOF.]

CONTENTS

No. 9, Friday, August 2, 1985/Sravana 11, 1907 (Saka)

COLUMNS

Oral Answers to Questions :	... 1—31
*Starred Questions Nos. 162, 164 to 167, 170 and 172	... 1—31
Written Answers to Questions :	... 32—281
Starred Questions Nos. 163, 168, 169, 171, 173 to 182	... 32—281
Unstarred Questions Nos. 1602 to 1619, 1621 to 1666, 1668 to 1727, 1729 to 1734, 1736 to 1767, 1769 to 1797, 1799 to 1822 and 1824 to 1837	... 32—281
Papers laid on the Table	... 289—291
Business of the House	... 292—299
Statement correcting reply to starred	... 300—304
Questions No. 327 dated 20th March 1984 Re Machinery purchased by C.I.L. for coal companies and reasons for delay	... 300—304
Election to committee—	... 305
Committee on official language	... 305
Business advisory committee—	... 305
Ninth report	... 305
Discussion Re : Steep rise in prices	... 306—346
Shri M. Raghuma Reddy	... 306
Shri G. L. Dogra	... 308
Shri Harish Rawat	... 311
Dr. A. K. Patel	... 314

*The Sign + marked above the name of Member indicates that the question was actually asked on the floor of the House by that Member.

COLUMNS

Shri Manvendra Singh	...	316
Shri Chitta Mahata	...	318
Dr. Chandra Shekhar Tripathi	...	320
Shri Piyus Tiraky	...	322
Shri Kali Prasad Pandey	...	323
Shri Girdhari Lal Vyas	...	325
Shri Thampan Thomas	...	327
Shri Abdul Rashid Kabuli	...	328
Shri Indrajit Gupta	...	329
Shri Vishwanath Pratap Singh	...	332
Criminal Law Amendment (Amending) Bill—	...	347
Motion to Consider (Not Concl.)		
Shri K. P. Singh Deo	...	347
Committee on Private Members' Bills and		
Resolutions—	...	347
Second Report		
Resolution Re : Relief to farmers affected by Drought	...	348—395
—Withdrawn		
Shri Girdhari Lal Vyas	...	348
Shri Gadadhar Saha	...	352
Shri Mool Chand Daga	...	355
Shri Bharat Singh	...	358
Shri Harish Rawat	...	360
Shri Narayan Choubey	...	364
Prof. Nara in Chand Parashar	...	367
Shri Ram Pyare Panika	...	370
Shri V. S. Krishna Iyer	...	374

COLUMNS

Shri Zainul Basher	...	376
Shri S. B. Sidnal	...	378
Prof. Saifuddin Soz	...	379
Shri K. D. Sultanpuri	...	380
Shri Jujhar Singh	...	381
Shri V. Sobhanadreeswara Rao	...	383
Shrimati Patel Ramaben Ramjibhai Mavani	...	384
S. Buta Singh	...	384
Shri Janak Raj Gupta	...	394
Resolution Re : Development of Hill areas—	...	396—398
Shri Harish Rawat	...	396
Papers Laid on the Table	...	399—400

LOK SABHA DEBATES

1

LOK SABHA

*Friday August 2, 1985/Savana 11, 1907
(Saka)*

*The Lok Sabha met at Eleven of the
Clock*

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[English]

Indo-Soviet Trade

***165 SHRI *RAM SWAROOP RAM :
DR. A.K. PATEL :**

Will the Minister of COMMERCE by pleased to state :

(a) whether it is a fact that 90 per cent of the Indo-Soviet trade is being done with the private parties in India;

(b) whether it is a fact that even Government agencies set up in different States are being ignored in preference to private parties in certain exports; and

(c) whether it is proposed to allow only Government agencies to have business deals with the Soviet Union ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) Statistics regarding import-export trade done by private parties and Public Sector Undertakings are not being maintained separately. It is, therefore, not possible to indicate as to what percentage of Indo-Soviet trade is being conducted through private parties.

(c) No, Sir.

[Translation]

SHRI RAMSWAROOP RAM: Mr. Speaker, Sir, my question was whether it

2

is a fact that 90 per cent of the Indo-Soviet trade is being done with private parties in India ? The reply given by the hon. Minister in this regard is totally unsatisfactory. In this connection, I would only say that there is a saying in Bihar that a patient went to the doctor and told him that he be treated with *Harad*, but the doctor prescribed him *Baheda*. So, I am remained of that saying. Just as the doctor did not give him the treatment for the actual disease, in the same way our hon. Minister has deviated from the actual question. He has said in his reply —‘Statistics regarding import-export trade done by private parties and Public Sector Undertakings are not being maintained separately’.

It has been agreed in the trade agreement which we had concluded with the Soviet Union that 90 per cent of our import-export trade would be canalised through the State Trading Corporation. But, the hon. Minister has not been able to indicate the break-up of the quantum of import-export trade being done through the State Trading Corporation and through the private parties.

I want to know from the hon. Minister the quantum of import-export done during the last two years through private parties, through non-Government Undertakings and through Government Undertakings, separately, and the amount of foreign exchange earned by India through this import-export.

[English]

SHRI P.A. SANGMA : Sir, it is very difficult to say precisely the percentage of the share of the trade by the private parties. Now the different public sector undertakings do maintain their own record but ultimately all these records go to the D.G.C.I.S., which is an official agency. When they compile the figures, they do not maintain the figure for the private parties and for the Government separately.

Of course, if we try to get the information from all the people concerned, certainly we will get the ultimate figure. But the question relates to the trade, turnover between U.S.S.R. and India which includes imports and exports. Now, as far as the imports are concerned, I can safely say that 90% of the total imports from the U.S.S.R. is done through the State trading agency. I may just quote one figure for 1983. Out of the total Rs. 1,700 crores value of import that we made from U.S.S.R., the imports from public sector undertakings were to the tune of Rs. 1,655 crores.

As far as exports are concerned, I think the major share goes to the private sector. But I do not have the authentic figure.

SHRI INDERAJIT GUPTA : Why are you allowing that ?

SHRI P.A. SANGMA : It is not a question of our allowing or not allowing. It is a question of the choice of the importing country. If the USSR wants to import or buy from the private parties, we cannot tell them that they should buy from our public sector. It is for them to decide from whom to purchase.

[Translation]

SHRI RAMSWAROOP RAM : Frequently, we hear complaints to the effect that there is bungling in the exports done through the private parties and sub-standard goods are supplied. The reports to this effect are received regularly. We also come across such reports daily in the newspapers. I want to know whether such complaints which bring bad name to the country, have been received and whether the Government propose to impose ban on the private parties in this regard ?

[English]

SHRI P.A. SANGMA : We had sometime received some complaints and whether specific complaints are received, we certainly look into them. If the hon. Member has got in his mind any specific complaint, I can look into it.

DR. A.K. PATEL : I would like to know whether Government are aware of the reports in the *Onlooker* dt. 16th July, 1982 and in the *Navbharat Time* dated 25th June, 1985 that private traders who were supplying 'Sela or Paramal' rice to Russia, in place of the contracted high priced 'Basmati' rice were receiving about Rs. 24 crores per year as extra money and this money was being channelled by private traders to certain elements for undesirable activities in the nation. I would like to know whether Government knows these things or not.

SHRI P.A. SANGMA : No.

PROF. MADHU DANDAVATE : He came to know it for the first time.

SHRI BHAGWAT JHA AZAD : May I know if it is true as the Member has alleged that private agencies are referred rather than channelling through the Government agencies for export to the Soviet Union ? Is it true that they prefer it ? What did the hon. Minister say about it ? Certainly I would like to know is it not true that there are complaints, say for example, textiles, is a notorious mill in Calcutta exporting to Soviet Union something in the shape of samples and just the opposite in the shape of total exports ? I would like to know whether it is true that these complaints have been looked into and they have been corrected ?

SHRI P.A. SANGMA : (a) Yes Sir. It is they who prefer to deal with private sector. That is why I say, we on our side cannot import from them. It is their choice.

(b) Whenever there is some problem about the quality and all that, first, in the first stage they try to sort out among themselves because the problem relates to the buyer and the seller.

PROF. MADHU DANDAVATE : It will amount to casting aspersions on Soviet Russia that they prefer private parties.

SHRI P.A. SANGMA : Yes. They prefer. I am stating the fact. If they prefer, we cannot help it because it is their choice.

DR. A.K. PATEL : What is the reply to my question ?

SHRI EDUARDO FALEIRO : At the time of our Prime Minister's visit to the Soviet Union, the Soviet Union in an unprecedented gesture of goodwill, offered to this country, a line of credit of one billion roubles which corresponds to Rs. 1,200 crores. It was also agreed that Soviet Union would allow industrial and civil organisations of this country to set up projects in the Soviet Union and that there would be joint projects of Soviet Union and India in that country. (Interruptions). I would like to know whether the follow-up action has been taken in the fields in which this agreement will operate.

MR. SPEAKER : It has already been answered on the floor of the House.

PROF. N.G. RANGA : It is not relevant to this question.

SHRI EDUARDO FALEIRO : It has not been answered and I would like to have an answer on this.

SHRI P.A. SANGMA : In any case, that does not relate to us because it is for the administrative Ministries to do. (Interruptions)

MR. SPEAKER : It does not concern him.

SHRI THAMPAN THOMAS : Two items, namely, cashew and coir, are exported to Russia mainly from Kerala. It is seen that the private traders are being promoted very much. There are two organisations under the Government —there is the Kerala State Cashew Development Corporation and we have also the cooperatives for the coir-manufacturing units. Both these are not supported by the Government. Instead, the private parties are being supported, and they are exporting at the cost of these government institutions. For these government-run cashew factories as well as coir factories, work is not available. I would like to ask the hon. Minister whether the Central Government will streamline the policy

in the matter of export of such items to foreign countries, especially to Soviet Russia.

SHRI P.A. SANGMA : It is our policy to support both the private and the public sectors.

SHRI INDRAJIT GUPTA : I would like to know what is the policy and preference of our Government in this respect. For example, everybody knows that tea is purchased from India by the Soviet Union and, both quantity-wise and value-wise, I think, they are the biggest purchaser that we have got. I want to know whether, during the negotiations that take place for these trade agreements between India and Soviet Union, our representatives, that is, the Government of India representatives have ever pressed for this or not that at least in the case of tea, a portion of it or a substantial portion of it will be offered for sale through their State Trading Corporation. A part, of course, if they want to take from some private traders with whom they have dealings, you cannot prevent them. That is true. But in tea and some other commodities like that, have our people shown any interest that they are prepared to supply good quality stuff, regular supplies and all that through the State Trading Corporation ? Or, is it that we are not confident enough to make such an offer ?

SHRI P.A. SANGMA : We can only impress upon a particular country that they should try to buy things from our country. As I said in the beginning, we do not tell the USSR or the USA or any other country that they should buy from this sector or that sector. We can at the most try to impress upon them to buy from our country which we normally do. We also try to promote our public sector undertakings in the field of exports. But, I think, it is ultimately their choice; if they prefer to deal with some organisations or some people, we cannot do anything about that. As far as tea is concerned, the Soviets buy tea through auctions only. So, the question does not arise.

Unlicensed Cultivation of Opium

*164. SHRI JUJHAR SINGH : Will the Minister of FINANCE be pleased to State :

(a) whether Government have received complaints about unlicensed cultivation of opium in Kota and Jhalawar Districts;

(b) whether any enquiry has been made in the matter; and

(c) if so, the details thereof ?

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

(b) and (c) Enquiries ordered, in the matter, are in progress.

SHRI JUJHAR SINGH : Is it a fact that the first complaint was lodged with the Minister of Finance in the month of February and at that time the crop was standing in the fields. That the second complaint was made in the month of March and at that time also the crop was standing in the fields. And the third complaint was made in the month of April when the crop was about to be harvested—That was the time when proper enquiry could have been made—if so, what was the reason for delaying the enquiry for such a long time ?

SHRI JANARDHANA POOJARY : The first complaint was made on 27.1.1985, the second complaint was made in March, 1985, and the third complaint was made on 12.4.1985. In the case the first complaint the allegation was exploitation of the cultivators in the renewal of opium licences by the officers of the Narcotic Division. That complaint was looked into, and the hon. Member of Parliament was requested to give specific instances for necessary action as, in the initial enquiry, the allegation was found to be baseless. In March, 1985, another complaint was received, as I stated earlier. In that complaint also the enquiry was entrusted to the Vigilance Branch in respect of all the three letters. In the third complaint, I have ordered the detailed

enquiry and asked them to examine the witnesses. I requested the Hon'ble Members also to help the investigation. We will definitely taken action on those complaints. We will not spare any person, if found to be guilty.

SHRI JUJHAR SINGH : This is a case of corruption on the part of the office of the Narcotic Department. Cultivators were instigated and encouraged by department officers to grow unlicensed opium on payment of Rs. 2000 per bigha and thousands of bighas of unlicensed cultivation was thus done in that area. This is a very serious matter.

Another point Sir. It was very clearly mentioned in the application of some gentlemen that the Narcotic Department collected bribe from hundreds of cultivators and the licence was not issued to some of these cultivators for some reasons. These cultivators went to the Collector and the Collector asked the Narcotic Department to return the money which they had taken as bribe. This money was returned on the order of the Collector of Jalawar in the presence of the MLA and a number of cultivators.

MR. SPEAKER : What was the mutual understanding, Sir ?

SHRI JUJHAR SINGH : The thing is that this is such a clear thing that the money was returned in the presence of hundreds of cultivators and in the presence of the elected representative of the Assembly, on the order of the Collector. Even on such a clear evidence, the Department has not been able to take action for such a long time. This is a really serious matter which everybody is concerned about.

SHRI JANARDHANA POOJARY : Sir, the Government is seized of the matter. We have viewed it very seriously and action will be taken. That is why I am requesting the Hon'ble Member also to see that the evidence is coming forward and it will be recorded. Action will be taken against the guilty.

(Interruptions)

SHRI AMITABH BACHCHAN : Mr. Speaker Sir, May I know from the Minister whether it is a fact that due to development of chemical substitute for opium and also due to the enlarged production of opium in other countries, the demand for Indian opium has now diminished abroad and whether the excess opium that has been grown in our country is now converted into dangerous drugs like heroin, as the Hon'ble Member of Parliament has just indicated? What steps have been taken to control them?

SHRI JANARDHANA POOJARY : The Hon'ble Member is correct in his statement Sir, that the production has gone down. In 1977, the area under production was about 64,000 hectares, now it has come down to about 25,000 hectares. As per the international convention India is the only country which has to export this. Now, Sir other countries are also producing for their domestic purposes. That is why market has gone down. Turkey, America, France and some other countries are also producing this. In view of this the stock in our country has gone up and because of the accumulation of this in two or three factories we had to control the production. The production has gone down. So far as the controlling of this and its mis-use are concerned, we are going to come with a comprehensive legislation. There will be deterrent punishment for the culprits. The legislation will be brought as early as possible and it will be curbed.

SHRI AJAY MUSHRAN : Sir, we all know that whether it is heroin, smack or brown sugar, they are all derivatives of opium. Now whether the cultivation of opium has gone down or gone up, the fact remains that the unlicensed cultivation, whether in the districts of Rajasthan or the western districts of Madhya Pradesh is going on. Unlicensed cultivation is the first step towards increase of drug abuse. So many speakers have spoken to you in this regard Sir, and you have agreed to have a discussion on this subject. May I ask the Hon'ble Minister through you, what steps is he going to take before bringing a comprehensive legislation? Because bringing a comprehensive Bill will

involve many other Ministries like the Home Ministry and the Ministry of Social Welfare apart from his own Finance Ministry and all these Ministries comprehension may take about a year, waiting for that comprehension, can we have some ordinances through which deterrent steps can be taken by the hon. Minister to arrest not only the unlicensed cultivation but the results thereof, that is, the drug abuse?

SHRI JANARDHANA POOJARY : The cultivation, the supervision of the cultivation and also the export market is controlled by the Central Government.

(*Interruptions*)

SHRI JANARDHANA POOJARY : But wherever there are specific instances and wherever they are brought to our notice, action is being taken and if the hon. Member is in a position to give any specific information, I will personally supervise it, monitor it and personally look into those complaints.

DR. KRUPASINDHU BHOI : I do not want to put any question because you have agreed to allow a call attention motion. But as the Minister said that he has to enquire from the Home Ministry he should have enquired from the Home Ministry and come fully prepared to the House.

Unfair Trade Practices Followed by Powerloom Sector

* 165 **DR. G. VIJAYA RAMA RAO :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government's attention has been drawn by the Consumer Protection Organisation to the many unfair trade practices followed by the powerloom sector and if so, the details thereof;

(b) whether these complaints and remedial measures relate to misleading marks and fraudulent stampings and if so, the steps taken by Government; and

(c) whether Government propose to

involve public organisations to support and supplement their own efforts?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :
(a) to (c) A Statement is given below.

Statement

A complaint has been received from consumer Education and Research Centre, Ahmedabad regarding unfair trade practices followed by the powerloom sector. The Centre in the complaint mentioned that they had collected 42 different samples of cotton and blended fabrics wherein fake marking in regard to the name of the manufacturer and or the type of Yarn used had been found. They have further alleged that the fake and wrong marking are made to misguide the consumer and they had pleaded for taking action against such dealers under the Cotton Textile (Control) Order, 1948.

Textile Commissioner's Regional Office at Ahmedabad made a survey of the market in this regard in March, 1985 wherein it was found that misleading marketings were largely being carried out by certain traders/dealers where they were adding the suffix "mills" after the name of the producer. Even though the goods were manufactured on powerlooms, the same was not being mentioned. Names resembling that of reputed mills were also being used. As this matter falls under the purview of the Trade and Merchandise Marks Act, 1958 affected mills are being advised to take recourse to the same.

The New Textile Policy lays emphasis on evolving a more efficient system of marketing and distributions with the objective of providing both consumer satisfaction and consumer protection. In this endeavour Government would welcome support from Public Organisations.

DR. G. VIJAYA RAMA RAO : The Minister has stated in his reply that the Textile Commissioner's Regional Office at Ahmedabad made a survey and they have found that misleading markings were

largely being carried out by certain traders and dealers and that they have advised the mills to take action under the Trade and Merchandise Marks Act. The reply shows that there is widespread corruption and exploitation in this regard. The Traders and dealers, as they are getting more benefit by exploitation, in future may extend the benefit to the mill-owners and they may keep quiet. So from the Government side what is the action they are going to take to prevent this practice?

SHRI CHANDRASHEKHAR SINGH : What is the question? ...I could not grasp exactly the thrust of the question. Anyhow the entire scope was examined by the Textile Commissioner's office and they came to the conclusion that the Cotton Textile (Control) Order is not comprehensive enough to cover such complaints and that the complaints should be covered and met by the other Act, the Trade Trade and Merchandise Marks Act and the State Government is the appropriate authority to take action in this regard. The Gujarat Government was requested to take action. We have not yet received any response from them.

DR. G. VIJAYA RAMA RAO : Will the Government ensure that on every metre of cloth the maximum retail price is marked instead of the wholesale price?

SHRI CHANDRASHEKHAR SINGH : This is done according to the CTCG. There is no difficulty.

SHRI M. RAGHUMA REDDY : Will the Government consider appointing an inquiry committee to find out the facts?

PROF. MADHU DANDAVATE : They have already found out the facts.

SHRI CHANDRASHEKHAR SINGH : There is no need of any inquiry committee. Survey have already revealed that this thing is being done by certain agencies and producers who use the trade marks of others in a clandestine manner and action has been proposed and the Gujarat Government has been informed about it.

**Missing of Amount from Offices of RBI,
Bombay Question**

*166 DR. G. S. *RAJHANS :
SHRI B. V. DESAI :

Will the Minister of FINANCE pleased to state :

(a) whether Government have gone through the aspect how Rs. 7.72 lakhs have vanished from the ground floor offices of the Reserve Bank of India, Bombay on 8th July, 1985 ;

(b) whether any clue has been found ; and

(c) if so, what efforts have been made by Government to trace the money ?

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

Statement

According to the latest report received from the Reserve Bank of India and the Ministry of Railways, on 8th July 1985, 7 Cashiers of the Central Railway came to Reserve Bank of India, Bombay to receive payment against 10 cheques. Six Cashiers had one cheque each and were issued one token each. One Cashier had four cheques and was also issued one token. The Cashiers were accompanied by five guards drawn from the Railway Protection Force of which two unarmed guards went inside the RBI building and the other three armed guards remained outside in the cash van. Six Cashiers received payment against 9 cheques in normal course, verified the cash and kept the cash in their respective boxes. The boxes were protected by the unarmed guards of the Railway Protection Force. When payment of the last cheque was about to be made to the 7th Cashier, he noticed that one box in which cash was received earlier by another Cashier and which was under the custody of the Railway Protection Force, was missing. The box was stated to contain Rs. 672,502.50 being the cash received in payment of one cheque. At the request of the Cashier, an alarm was

raised, the exits were closed and the premises searched by the Police. The box could not be found. The Police have registered a case of theft for investigation. The money has not been recovered so far, but the cash box without the cash was recovered by the Police on 9th July 1985.

DR. G.S. RAJHANS : Sir, my question is not properly replied. I wanted to know whether any clue has been found and, if so, what efforts have been made by the Government to trace the money ?

SHRI JANARDHANA POOJARY : Sir, no clue has been found out about the culprits and the concerned money has also not been recovered. It is a law and order situation. It is a State subject. It is for the State Government to take action. They have to investigate this case thoroughly.

DR. G.S. RAJHANS : Was any Naval officer interrogated in the RBI premises at that time ?

SHRI JANARDHANA POOJARY : There was one Naval officer. It was stated that the Naval officer was pushed and the amount which he was collecting had fallen on the ground. This is the allegation. This cashier went in the scene in order to pick it up. In the mean time this box was taken away. That was the *modus operandi*.

Now, Sir, we are not at all happy with the situation. Action is being taken and some of the people of the Railway Department and the persons who were there to protect these boxes have been suspended. I have a feeling if this is happening in this way then nobody will be satisfied. I told these people that Parliament will not be satisfied by this sort of answer. We are making a thorough inquiry and firm action will be taken. Before coming to the House I made my point clear to them that Government will not be satisfied with this sort of action.

SHRI SURESH KURUP : I would like to know how many bank robberies have taken place from 1980 onwards and in how many cases the culprits have been arrested ?

SHRI JANARDHANA POOJARY : I don't have the figures from 1980 but I have got the figures from 1983. In the year 1983 there were 100 bank robberies and dacoities. In the year 1984 the number became 96 and in the year 1985 the number is 53. So far as prosecution, detection and convictions are concerned, we have been trying to get the figures from the State Government. The present system of getting information from the State Government has not yielded this information. It is a State subject. I have asked the Department to get this information.

[*Translation*]

SHRI GIRDHARI LAL VYAS : Mr. Speaker, Sir, this case involves Rs. 7 lakhs only. I want to know what arrangements are being made in respect of soiled notes worth crores of rupees being collected in the Reserve Bank of India and the manner in which they are being misused and misappropriated by the people ?

MR. SPEAKER : Misappropriating ?

[*English*]

SHRI JANARDHANA POOJARY : I do not think it relates to this question.

SHRI S.M. BHATTAM : Sir, you are not looking towards us. Is it proper ? Is it good ?

MR. SPEAKER : I have already allowed one from this side.

SHRI S.M. BHATTAM : Only one supplementary you have allowed. Every day we have been watching... (*Interruptions*)

MR. SPEAKER : Two.

SHRI S.M. BHATTAM : You are consistently ignoring us. You put your hand like this and the entire Opposition is being eclipsed. You don't want us to have our rightful opportunity.

[*Translation*]

MR. SPEAKER : Mr. Bhattam gets annoyed so soon, he should be given cold water to pacify him.

[*English*]

SHRI D.N. REDDY : Sir, before I put my supplementary, I would like to make a submission to the Chair. Hon. Members who have the lung power and those Members who are very tall are getting priority from the Chair. I am not able to shout because of medical advice and I am not very tall also.

[*Translation*]

MR. SPEAKER : You are composing a poem.

[*English*]

SHRI D.N. REDDY : I would, therefore, request the Chair to look at us.

[*Translation*]

SHRI BALKAVI BAIRAGI : Sir, poems are not composed about the height.

MR. SPEAKER : Bairagiji, this is the reason why I was not afraid.

[*English*]

SHRI D.N. REDDY : There have been too many bank robberies of late in the last two or three years and more so in Delhi City itself, the capital city of our country. I would request the hon. Minister to tell us whether they have noticed this fact and necessary arrangements have been made for taking extra precautions. Moreover, most of these cases have gone undetected. What steps are you going to take in this regard ?

SHRI JANARDHANA POOJARY : It is true that there is an increase in the amount that was involved in the robberies. But I would like to bring to your kind notice that in 1982, the figure was Rs. 1,40,48,000. For 1985, so far the

figure is Rs. 86.79 lakhs compared to Rs. 70,000 crore deposits. But we are not defending it. We are seized of the matter and we have taken a serious view of it. Now, coming to steps that have been taken, I would like to mention that a high power committee has been appointed and they submitted their recommendations and their recommendations have been sent to the Reserve Bank of India, all the commercial banks and also the Chief Secretaries of the State Governments. Now, Sir, as I stated, the law and order subject is the State subject. It is for the State Government to take action. We have to strengthen our machinery. Not only that. Wherever the branches are located, those branches which are vulnerable, we have posted the guards. So many security arrangements have been made and I do not want to go into detail because earlier I have already given them.

MR. SPEAKER : We discussed it before long also and I think we agreed on this aspect that each bank should have complete security arrangements. But in certain banks, last time there was no guard. There should be a circular about this that no bank should be without security arrangements.

SHRI JANARDHANA POOJARY : Sir, we have 48,128 branches all over the country. Whether it is vulnerable.....

MR. SPEAKER : Every bank is vulnerable.

SHRI JANARDHANA POOJARY : Now, about the steps which have been taken I may mention that even though it is not satisfactory, last week I personally went round to some branches and I am also making some security arrangements in the bank branches. For your information, Sir, the instructions have been given to the bank people to look their cabin immediately after having entered the cabin. But in so many branches, the bank employees are not locking their cabin. They have to observe certain guidelines. These are the steps being taken. Sir, your suggestion is taken note of and we will work on that.

SHRI S.M. BHATTAM : Sir, obviously the hon. Minister himself is not satisfied with the answer provided to him by his department. So, in that case, apart from administering warning formally in this House, what concrete measures does he propose to take against the department for sending this very unsatisfactory answer which he is now providing to us.

SHRI JANARDHANA POOJARY : According to the Department it is satisfactory ; according to me, as Minister in-charge, it is not satisfactory. I am not defending anybody ; as a Minister I have got the overall responsibility. That is why, I have made it very clear that firm steps should be taken. We are taking steps as also monitoring that.

PROF. MADHU DANDAVATE : I would request you not to bring the Department into the picture. As far as this House is concerned, Minister and the Department are part and parcel of one entity. Do not separate yourself from the Department.

SHRI JANARDHANA POOJARY : I am not satisfied myself and I am just bringing these facts to the notice of the House...*(Interruptions)*

MR. SPEAKER : He is going to make himself satisfied by taking further action.

SHRI JANARDHANA POOJARY : We called a meeting of the Chief Executives and brought it to their notice that their performance was not satisfactory and that action should be taken where required. An action plan has also been given to the bank people. Once in every three months, we, the Finance Minister as also myself, are going to monitor this, and would be taking the required action.

[Translation]

Equipping Income Tax Officers with Arms

*167. **SHRI SARFARAZ AHMAD :** Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news-item captioned "Aykar Adhikari Hathiaron Se Laise Hunge" (Income Tax Officers will be equipped with arms) appearing in 'Jansatta' dated the 22nd June, 1985 ; and

(b) if so, the type of arms they will be equipped with ?

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The attention of the Government has been drawn to the report which is inaccurate.

(b) The question of providing adequate protection to the Income Tax Officials while on search and seizure duties, however, is under consideration.

[*Translation*]

SHRI SARFARAZ AHMAD : Mr. Speaker, Sir, the hon. Minister has told that the question of providing adequate protection to the Income Tax Officials while on search and seizure duties is under consideration. This is a very good step. I want to know the time by which a final decision in this regard will be taken by the Government.

[*English*]

SHRI JANARDHANA POOJARY : We are examining the entire issue for providing training to the officials who go for search and seizure. In some places, there was a threat to their life and in some places, they have been assaulted also. We are thinking of getting some trained personnel on deputation as also going to train these officials to meet the situation, so that whenever necessary, they can defend themselves. But it is not the intention of the Government at this stage to arm them. But at the same time, all precautions have been taken and we have been requesting the State Governments to provide sufficient protection to these officials whenever they are on search and seizure duties.

[*Translation*]

SHRI SARFARAZ AHMAD : I want to know from the hon. Minister the number of incidents of assault on the Income Tax Officials during the last 4 to 5 years, the amount of compensation paid and the criteria adopted for paying compensation ?

[*English*]

SHRI JANARDHANA POOJARY : That information is not available. I shall furnish that to the hon. Member.

[*Translation*]

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, I want to know from the hon. Minister the number of officials who have asked for arms for self-defence to perform these duties and whether any survey has been conducted in this regard ? Also, please tell me how many officials are capable of using these arms when the time so demands ?

[*English*]

SHRI JANARDHANA POOJARY : There is no such request, but the Government are alive to the situation and that is why we are thinking of providing training to the officials to protect themselves in self-defence. It is being examined.

[*Translation*]

SHRI SOMJIBHAI DAMOR : I would like to know from the hon. Minister what action Government have taken in connection with the attack made on these officials during raid in Surat recently ?

[*English*]

SHRI JANARDHANA POOJARY : That was not an Income Tax raid. That was an excise raid.

SHRI SAIFUDDIN CHOWDHARY : It might be an excise raid. But what the Government did to the officials who led the raid was that they transferred them, and you are not giving the information.

MR. SPEAKER : He cannot give the information.

SHRI SAIFUDDIN CHOWDHARY : Is that true or not ? I want that information. Who are behind all this ? You are talking big and you say that you are doers.

SHRI JANARDHANA POOJARY : They have not been transferred because of any allegation. The transfers have been effected in the normal course. And we are not talking big. We are very serious on this and we are for action.....*

(*Interruptions*)

SHRI BASUDEB ACHARIA : Please pull him up Sir.

(*Interruptions*)*

MR. SPEAKER : This does not form part of the record. I am giving my ruling. Please listen..... (*Interruptions*)

You can listen to it. This is what I am saying. Hon. members, I would like members and the Minister both, to be relevant to the question put. That is all, you see !

(*Interruptions*)

SHRI INDRAJIT GUPTA : You may kindly make the observation if you think it fit that references to the West Bengal Government should not become the last refuge of the Ministers who are incapable of answering questions.

(*Interruptions*)

MR. SPEAKER : In repartee, it happens at certain times. It is not made sarcastically.

SHRI SAIFUDDIN CHOWDHARY : Will that form part of the record Sir?

MR. SPEAKER : No.

SHRI SAIFUDDIN CHOWDHARY : Then, we are satisfied.

PROF. K.K. TEWARY : There should not be any allegation that there is a Government in West Bengal !

[*Translation*]

SHRI BALKAVI BAIRAGI : Mr. Poojary has distributed a pinck of *prasada*, that is why they feel inconvenient.

MR. SPEAKER : Sometimes, one cannot digest it.

[*English*]

Export of Ago-Based Product

*170. **SHRI AMARSINGH RATHAWA :** Will the Minister of COMMERCE be pleased to state :

(a) the value of the ago-based products exported during the last three years, year-wise ;

(b) whether there is a big scope to boost this industry and increase the export of agro-based products ;

(c) whether any survey has been conducted in this regard ; and

(d) if so, the finding of this survey and what measures are being taken to increase our export of such items ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA : (a) to (d) A Statement is given below.

Statement

(a) The value of exports of principal agricultural and agro-based products (excluding textile goods) during the last 3 years were as under :

(Rs. in crores)

1981-82	1982-83 (Provisional)	(1983-84) (Provisional)
2376	2295	2463

*Not recorded.

(b) to (d) Yes, Sir. There is scope for increasing the exports of agro-based products from India. Indian Institute of Foreign Trade, New Delhi has undertaken surveys in respect of certain selected commodities. Government has taken a number of measures to increase their exports, such as cash compensatory support, import replenishment to registered exporters, facility of duty drawback, assistance for market development, encouragement to exports in value-added packs, periodic discussions with State Agricultural Export Commissioners for increasing the production of exportable agricultural and agro-based products, etc. For the promotion of exports of agro-based products, institutional changes like setting up of Agricultural Products Export Development Authority (APEDA) and Spices Board are envisaged.

[Translation]

SHRI AMARSINGH RATHAWA : The reply given by the hon. Minister is all right for reply sake, but he has no proposal with him to give incentive to the farmer who produces by the sweat of his brow. I want to know from the hon. Minister what new changes he is going to make in the policy for export of agro-based products to benefit the farmer, as otherwise the farmer who is called "father" of the world, will not remain as such ?

[English]

SHRI P.A. SANGMA : I think exports do help the farmers, but I do not think it will be possible on my part to enumerate everything. I can only cite few examples. For example take the coffee growers. Now, we have introduced a system of pooling. It does help the coffee growers. We have introduced a system of auctioning for tobacco and Mr. Ranga will be happy to hear this. So all these measures which we have undertaken do help the farmers to get the remunerative prices.

[Translation]

SHRI AMARSINGH RATHAWA : Mr. speaker, Sir, cotton is extensively

grown in Gujarat, the maximum production being in my constituency Chhota Udaipur. But, the prices offered for cotton to the farmers this year have broken their back-bone. I want to know from the hon. Minister whether the Government propose to give concession to the co-operative Societies for the export of cotton or not?

[English]

SHRI P.A. SANGMA : Actually this question relates to the Minister of Textiles.

MR. SPEAKER : Because it is a raw material so it comes under the Commerce Ministry. Export of cotton does not come under this.... ..

MR. P.A. SANGMA : We have some relation with it. I know Sir you had intervened in the matter.

MR. SPEAKER : Then, at least do not import cotton.

[Translation]

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, I want to know from the hon. Minister whether 10 lakh tonnes of sugar was exported @ Rs. 2.50 per kilogram through S.T.C. in 1983-84? The present situation would not have arisen had the Government not exported sugar and had instead created buffer stock in the country. Will the Government consider creating a buffer stock?

[English]

MR. SPEAKER : Mr. Vijay Kumar Mishra.

[Translation]

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, my question has not been replied to.

[English]

MR. SPEAKER : Mr. Sangma, have you understood his question ? Here he is

talking about sugar. We are not exporting sugar. He is asking whether you are exporting it now?

MR. P.A. SANGMA : We are not exporting, Sir. (*Interruptions*)

MR. SPEAKER : No it was two years back not now.

[*Interruptions*]

[*Translation*]

MR. SPEAKER : He says that the Government have not exported sugar in the recent years. It might have been done long back, not now.

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, my question has not been replied to. I want your protection. I have got all the figures with me. 8.18 tonnes of sugar valued at Rs. 210.92 crores was exported during 1983-84 @ Rs. 2578 per tonne.

[*English*]

MR. P.A. SANGMA : We have exported the sugar to the value Rs. 213 crores.

[*Translation*]

MR. SPEAKER : Sometimes it is done and sometime it is not done. This is all there in the trade.

SHRI BIRINDER SINGH : Mr. Speaker, Sir, our vegetable and fruit exports to Gulf countries have increased tremendously during the last few years. The inner sheet of the containers which carry these vegetables and fruits is imported from Japan and, therefore, is very costly. Has any cell been set up in the Commerce Ministry to help the Agro Industries Corporation to manufacture this sheet indigenously so that we may be able to export green vegetables and fruits cheaper as compared to other countries whereby our farmer could be benefited?

[*English*]

SHRI P.A. SANGMA : In fact, we have our Research Institute. We are presently looking into all this.

SHRI V. SOBHANADREESWARA RAO : Has it come to the notice of the Government that the mango pulp units are facing a lot of difficulty in the export of the pulp, due to the non-availability of the aluminium and tin materials which are required for the containers? Will Government make necessary arrangements, so that these units which are engaged in the production of mango pulp and are exporting their products, are supplied with the necessary tin material for the canning of products? Will Government take necessary steps for the supply of the tin material to the units directly?

SHRI P.A. SANGMA : I do not know the extent of their problem; but sometimes there are problems of this nature which come to our notice. As far as this particular problem is concerned, the availability of raw materials is with the Ministry of Steel and Mines. We will try to help them, and take up their cause with the concerned Ministry.

SHRI V. SOBHANADREESWARA RAO : The licensees are exploiting the situation, when the genuine requirements are not met by the Government.

SHRI P.A. SANGMA : If you give me details. I will certainly take it up.

MR. SPEAKER : Mr. Vijay Kumar Mishra is not present. So, question 172.

Production and Export of Spices

*172 SHRI T. BASHEER : Will the Minister of COMMERCE be pleased to state :

(a) the production of spices in Kerala, their export and the foreign exchange earned during the last three years ; year-wise ; and

(b) the steps envisaged to promote export of spices during the Seventh Plan period?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA : (a) Production of major items of spices in Kerala along with quantity and value of export of those items from India in the years 1981-82 to 1983-84 are indicated in the statement given below.

(b) Steps envisaged to promote export of spices include the setting up of a Spices Board to ensure an integrated approach for export development, increasing production and productivity, improvement in post harvest technology, value addition and development of new products and markets.

Statement

Production of Major Spices in Kerala and their export from India

Q. Tonnes

V. Rs. crores

Item	Production in Kerala		Exports from India	
	Year	Q	Q	V
PEPPER				
1981-82	28500		20608	27.98
1982-83	25700		22592	29.39
1983-84	22030		25787	41.35
CARDAMOM				
1981-82	3300		2321	30.17
1982-83	1900		1032	16.37
1983-84	1900		258	5.44
CHILLIES (DRY)				
1981-82	1100		4659	4.21
1982-83	1100		12888	12.35
1983-84	1100		10610	8.78
GINGER (DRY)				
1981-82	32000		4718	3.95

1	2	3	4
1982-83	32700	3955	5.88
1983-84	32890	4629	11.90
TURMERIC			
1981-82	6100	11986	5.17
1982-83	5200	7595	4.24
1983-84	5200	10892	11.06

SHRI T. BASHEER : Kerala is a leading producer of spices. In his reply, the hon. Minister has stated that Government envisages the constitution of a Spices Board for the development and marketing of the spices. There is a Cardamom Board which deals with the development and marketing of cardamom. There is a request from the people of Kerala to retain the Cardamom Board, and to constitute another Board for all other spices. I would like to say that more than 35 spices like pepper, ginger, cinnamon and nutmeg are there in Kerala. So, what is Government going to do; are they going to retain this cardamom Board as it is, and going to constitute another Board for spices other than cardamom? I would like to know this from the hon. Minister. There are announcements to this effect. So, when are you going to take a decision regarding setting up a spices board?

SHRI P.A. SANGMA : Cardamom is one of the spices, and our intention is to merge Cardamom Board into the new Spices Board which we are going to constitute, and the Cardamom Board will not be retained as it is; it will be merged with the Spices Board.

SHRI T. BASHEER : It will not be beneficial for the cardamom. A separate board is necessary for the development and marketing of other spices. So, I suggest the hon. Minister to constitute another

board. In the given figures, the production of cardamom in 1981-82 was 3300. So, there is a downward trend in the production of cardamom. In 1983-84, it was 1900, and on the export side, in 1981-82, the export was 2321 tonnes valued at Rs. 30.17 crores; in 1983-84, the export was only 258 tonnes valued at Rs. 5.44 crores. What is the reason for this downward trend in production and the steep fall in the export of cardamom?

SHRI P.A. SANGMA : As far as the cardamom is concerned, government has taken a very conscious decision of merging it with the Spices Board, and the Spices Board will be performing all the functions that have been so far done by Cardamom Board. So, I don't think government is going to take a second look at it. We are very much firm on that. As far as production of the cardamom is concerned, I think the hon. Member knows much more than me. There have been droughts in some years and because of the serious droughts production of cardamom has come down. But we have now taken several steps to bring back the production into the higher level, and I think it is progressing.

SARI P.R. KUMARAMANGALAM : The hon. Minister has very clearly said that they will not have a second look at the idea of having the Cardamom Board continue. Is this so because it is an

attempt to make the Spices Board really do the cardamom work and not look at other spices ? Is it an attempt to cover up the fact that they are not really interested in improving export of other spices and are only trying to attach importance to cardamom spices.

SHRI P.A. SANGMA : There are various types of spices. Cardamom is one of them, I said. Then we have pepper, chilly and mustard. Government cannot go on having a separate board for each commodity and for each product. Since all these spices have a lot of potential for export, we thought that it is better that we have a common board to look after them.

SHRI G.G. SWELL : Is the government importing spices which are produced within the country with the result that cultivation of those spices in this country is suffering a slump. I know, for instance, that pepper is a very rare spice, but you are importing that from Malaysia with the result that growers of that kind of spice are being ruined.

SHRI P.A. SANGMA : The policy of import is formulated after taking into consideration the production in the country and the need in the country. There are items which we do produce in our country, but if the demand is higher than production that we have, then we will have to resort to import.

SHRI G.G. SWELL : Sir, I seek your protection. When the indigenous growers are being ruined, what kind of a policy is that ?

SHRI P.A. SANGMA : We go by the advice of the experts.

SHRI BHAGWAT JHA AZAD : They are not advisers to ruin the indigenous growers.

MR. SPEAKER : You have to get it examined.

SHRI P.A. SANGMA : If there are certain situations where the growers are suffering and the prices are coming down, we will examine it.

MR. SPEAKER : You must examine it.

SHRI G.G. SWELL : If the indigenous growers are being ruined by your import policy, should you not do something for them ?

MR. SPEAKER : Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

[*English*]

Import/Export of Varieties of Cotton

*163. **SHRIMATI USHA CHOWDHARY** Will the Minister of SUPPLY AND TEXTILES be pleased to state the details of import and export of different varieties of cotton during 1984-85 and the basis adopted for fixing this quantity?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : According to the latest assessment made by the Cotton Advisory Board, there is likely to be a shortage of short/medium staple cotton and a surplus of long/extra-long staple cotton in the country during the current cotton season. Government have released a quantity of 2.95 lakh bales of long and extra-long staple cotton for export and have also decided to import one lakh bales of medium staple cotton during the current cotton season.

[*Translation*]

Setting up of the Industries in Bastar (M.P.)

*168. **SHRI DILEEP SINGH BHURIA :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are considering the question of setting up some industry based on iron ore, lime stone and dolomite deposits in Bastar district in Madhya Pradesh; and

(b) if so, the details thereof?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) : No, Sir. However, there has been a proposal from the National Mineral Development Corporation (a public sector undertaking under the administrative control of the Department of Steel) to exploit the Dolomite deposits in Bastar district of Madhya Pradesh in order to meet the requirements of the Visakhapatnam Steel Plant. However, on ecological considerations the location of the project is being reconsidered in consultation with the State Government.

Agricultural Loan Advanced by Co-operative and Commercial Bank to Cultivators

*169. **SHRI SRIBALLAVPA NIGRAHI :** Will the Minister of FINANCE be pleased to state :

(a) the conditions and circumstances under which agricultural loans advanced by co-operative and other commercial banks to cultivators are converted from short term to medium term by the Reserve Bank of India;

(b) whether there was any proposal from Government of Orissa for such conversion following heavy loss of Dalua (Rabi) Crop on account of natural calamities like cyclone, tornado and hailstorm etc. in May and June 1985;

(c) if so, the decision of the Reserve Bank of India in the matter; and

(d) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) to (d) The Reserve Bank of India has issued guidelines to all banks for providing relief measures, including facility of conversion of short-term loan into term loan, in areas affected by natural calamities. In the event of delay by State Government in declaring annewari, the sanction of conversion facilities can be considered if the District Collector certifies that the yield is below 50% of the normal yield. The repayment period of the

converted term loan is to be fixed keeping in view the overall repayment capacity of the borrower and the intensity of crop loss. In the event of successive natural calamities, the banks can grant extension of the converted loans for a longer period.

2. NABARD provides assistance to cooperative banks upto 60% of converted loans. The balance is to be met by the concerning State Government, State Cooperative Bank and Central Cooperative Bank.

3. NABARD had received a proposal from the Orissa Government in the month of June 85 seeking conversion of short-term loans aggregating Rs. 14 crores. NABARD has approved conversion to the extent of Rs. 13.96 crores.

4. NABARD has not received any reaction from the State Government so far.

Income Tax Outstanding Against Companies

*171. **SHRI VIJAY KUMAR MISHRA :** Will the Minister of FINANCE be pleased to state :

(a) whether income tax demands exceeding rupees one crore were outstanding from 68 companies;

(b) if so, the total amount; and

(c) the amount recovered as on 31st March, 1985?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Income-tax demand amounting to Rs. 312.81 crores was outstanding against 68 companies as on 31.3.1984. Out of it, a sum of Rs. 266.08 crores was collected/reduced during the financial year 1984-85. Demand outstanding in such cases as on 31.3.1985 is Rs. 46.73 crores only.

Plan to Penalise and Educate Industrial Consumers for wastage of coal

*173 **SHRI AJOY BISWAS :**

SHRI PURNA CHANDRA MALIK :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have any plan to penalise and educate industrial consumers of coal for wastage of about eight million tonnes of coal because of unscientific practices of storage, handling, preparation and combustion;

(b) if so, the details of the said plan; and

(c) if not, the reasons for not doing so ?

THE MINISTER OF STEEL, MINES AND COAL : (SHRI VASANT SATHE) :

(a) to (c) Government have set up a Fuel Efficiency Committee for coal sector on 17.8.84 under the Chairmanship of Secretary, Department of Coal, with a view to promoting, *inter-alia* research and development in the utilisation of coal, to encourage fuel saving processes, to provide technical advisory services to the industrial and other consumers, etc. With these objectives in view, a publicity campaign has been launched. In the first phase, the following publications have been brought out :—

(i) "Indian Coal—An approach to improve understanding for conservation"

(ii) "Coal—Improved techniques for storage and preparation" and

(iii) "Coal—Improved techniques for efficiency in coal combustion".

These publications are being circulated widely among the coal consumers. These consumers are also being approached through their organisations like Chambers of Commerce, associations of various industries, etc.

Purchase of Newsprint by S.T.C.

*174 SHRI SHIVENDRA BAHADUR SINGH : Will the Minister of COMMERCE be pleased to state :

(a) the reasons for the State Trading Corporation of India deciding to purchase newsprint against long term commitments

at a time when international prices of newsprint were expected to fall ;

(b) the justification for S.T.C. to have signed for 1500 tonnes of newsprint at \$ 425 F.A.S. Canadian port when the international prices were \$ 405 at that time;

(c) whether the offers received by S.T.C. at very much lower prices were rejected outright and purchases done at a higher price on the ground of commitments to long-term contract holders; and

(d) if so, why did S.T.C. not negotiate with the latter for price reductions in keeping with prevailing market prices?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) The State Trading Corporation entered into long term contracts during 1978-79 when there was serious supply constraint in the market and prices tended to harden.

(b) STC did not sign contract for 1,500 MT at US \$ 425 PMT FAS Canadian Port.

(c) and (d) A minimum quantity of 41,000 MT of newsprint was required to be lifted during 1985-86 in terms of contractual commitments against the long term contracts entered into during 1978-79 and renegotiated in March 1984. The price was negotiated for this quantity and settled with the long term suppliers for 1985-86 at US \$ 410 PMT FAS with 30 days interest-free credit. Taking this interest element into account, the net price works out to US \$ 404 PMT FAS.

Amount Due to Nationalised Banks in Agricultural Sector

*175 SHRI ZAINAL ABEDIN : Will the Minister of FINANCE be pleased to state the amount due to the nationalised banks in the agricultural sector, with State-wise details?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : State-wise

details of the direct agricultural advances due to public sector banks as at the end of June, 1983 have been given in the statement given below.

Statement		(Amount in lakhs of Rs.)
Name of State/U.T.	Balance outstanding	
NORTHERN REGION	14648.07	
Haryana	3336.49	
Himachal Pradesh	573.10	
Jammu & Kashmir	423.51	
Punjab	5445.63	
Rajasthan	3943.74	
Chandigarh	503.25	
Delhi	422.35	
NORTH-EASTERN REGION	812.41	
Assam	427.30	
Manipur	64.18	
Meghalaya	136.93	
Nagaland	32.21	
Tripura	141.51	
Arunachal Pradesh	6.01	
Mizoram	3.36	
Sikkim	0.91	
EASTERN REGION	11873.43	
Bihar	4135.66	
Orissa	2906.06	
West Bengal	4824.32	
Andaman & Nicobar Islands	7.39	

Name of State/U.T.	Balance outstanding
CENTRAL REGION	17096.03
Madhya Pradesh	5906.55
Uttar Pradesh	11189.48
WESTERN REGION	19435.00
Gujarat	6733.30
Maharashtra	12181.70
Dadra & Nagar Haveli	2.70
Goa, Daman & Diu	517.30
SOUTHERN REGION	40271.44
Andhra Pradesh	15462.98
Karnataka	10929.83
Kerala	3189.21
Tamil Nadu	10352.19
Lakshadweep	0.59
Pondicherry	336.64
All India	104136.38

High Power Disposal Committee

*176. SHRI MOOL CHAND DAGA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the period for which the High Power Disposal Committee functioned ;

(b) the total expenditure incurred by Government on this committee ; and

(c) the total goods disposed of by it ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) The Committee functioned from 9.4.84

to 4.4.85. However, the full Committee came into position on 25.7.84 only.

(b) An expenditure of Rs. 12,188.37 was incurred by the Government on this Committee.

(c) The Committee was constituted for disposal of huge surpluses of warlike stores estimated at 36,000 tonnes. During the deliberations of the Committee it was found that most of the surpluses declared have an export potential and, therefore, the possibility of disposing these items was being first explored by the Export Promotion Cell of Ministry of Defence. However, 110 aircrafts, 37 Nos. of Aero Engines, 27,535 Nos. of various items of spares and 87,500 Kgs. of scrap were reported by the Ministry of Defence for disposal by the High Power Committee on Disposal. Since most of the aircrafts and aero engines could not be disposed of in their original form for security reasons and special alloy material, the Committee negotiated an agreement with M/s Metal Scrap Trade Corporation (a Govt. of India Undertaking) to effect the disposal. On the winding up of the HPCD, this agreement has been assigned to the Ministry of Defence for operation in future.

Losses in Textile Mills Run by N.T.C.

***177. SHRI GURUDAS KAMAT :**
Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the number of textile mills run by the National Textile Corporation of India :

(b) whether most of these mills have been running in heavy losses ;

(c) if so, steps taken by Government to boost the production capacity of the mills ;

(d) whether a proposal to close down the unviable mills of N.T.C. is under consideration of the Government ; and

(e) if so, steps proposed to be taken

by Government to provide employment to the workers who are likely to be retrenched ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :
(a) and (b) At present, there are 125 mills under National Textile Corporation viz., 103 nationalised mills and 22 managed mills. The nationalised mills under the National Textile Corporation incurred losses of about Rs. 168 crores during the year 1984-85.

(c) National Textile Corporation is taking measures within the limited resources to step up the capacity utilisation and productivity through selective modernisation of nationalised mills, increasing captive generation of power etc.

(d) and (e) The potential viability of the heavily losing mills of Notional Textile Corporation, is under consideration of the Government. No decision has yet been taken regarding closure of mills since the possibility of making them viable is being explored.

Irregularities in Distribution of Imported Scrap Ships

***178. SHRI INDRAJIT GUPTA :**

SHRI BASUDEB ACHARIA :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there have been complaints of irregularities and favouritism in the distribution of imported scrap ships in the demolition market by the cannalising agency Metal Scrap Trade Corporation (MSTC) ; and

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

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) and (b) The Government have received complaints against Metal Scrap Trade Corporation (MSTC) from shipbreakers at Alang alleging favouritism and irregula-

rities in distribution of ships. The allegations relate to allotment of larger vessels to a few ship breaking units. Allotment of larger sized vessels combinedly to two units was tried towards the end of 1984-85 due to limited availability of smaller vessels. The system was discontinued by MSTC as a result of representations from the shipbreaking industry.

BICP Recommendations for Upward Revision of Prices of Basic Aluminium

***179. SHRI AMAL DATTA :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Bureau of Industrial Costs & Prices recommended for upward revision of prices of basic aluminium to compensate the industry for cost escalations ;

(b) if so, whether that was necessary at the moment of recommending for the cost reduction measure by the industry ;

(c) whether there is any possibility of reviewing the said recommendations ;

(d) if so, by what time ; and

(e) if not, the reasons for not doing a second review of the said recommendation ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :
 (a) to (e) There is a statutory control on prices of aluminium ever since 1970 when the Aluminium Control Order was issued under the Essential Commodities Act. Bureau of Industrial Costs and Prices is entrusted by the Government to undertake studies on the cost structure of the Aluminium industry from time to time. The role of the Bureau is only of an advisory nature. The Bureau fixes the norms of consumption of various input materials, takes in to account the cost of major inputs and also the cost reduction measures adopted by the industry. Taking into account all such relevant data and norms, the cost of production of aluminium is determined, based on which the Bureau advises the Government on what should be the fair price for the metal.

In 1982, the Bureau undertook a cost study of the aluminium industry and submitted their report in 1983. Prices of aluminium were last revised on 9th May 1984. Since then, there have been certain increases in the cost of input materials, the most important among them being the escalation of power rates. The Bureau was asked to do a limited exercise of determining the effect of increases in the power rates on the cost of production of metal. They have submitted their report, which is under consideration.

Production of Controlled Cloth by Hand-loom Sector

***180. PROF. MADHU DANDAVATE :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether in the new Textile Policy announced by the Government while the entire responsibility of producing controlled cloth has been entrusted to the handloom sector, all constraints on capacity expansion in organised mill and powerloom sectors have been removed ; and

(b) if so, whether Government are aware that this situation will lead to unhealthy competition between handloom sector on one hand and mill and powerloom sectors on the other and also lead to sickness in the handloom sector ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :
 (a) and (b) Under the new Textile Policy announced by Government on the 6th June, 1985, the burden of financing the production of controlled cloth and janata cloth which had been placed on the mills by the Policy announced in October 1978 continues to remain on the mill sector who will provide the funds through the mechanism of additional duties as before. The subsidy from these funds would be made available to the handloom sector in proportion to the janata cloth manufactured by it. Thus the transference of the entire production of controlled cloth to handloom sector will give rise to greater opportunity for employment and production to the handloom sector and help in reviving dormant looms and create at least

half a million jobs in the rural areas. Besides, the policy provides for several measures to improve the lot of the hand-loom weavers. The policy also provides for harmonious growth of all sectors.

Local Committees for Grant of Loans to Small Industries

*181. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to set up local committees for making recommendations for the grant of loans to small industries or trade particularly in rural areas ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) Does not arise.

Establishment of Economically Viable New Steel Plants

*182. SHRI V. SOBHANADREESWARA RAO :

SHRI NARAYAN CHOUBEY :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have taken a decision that any new steel Units/Plant to be established should firmly meet the criteria of "economically viable units" ; and

(b) if so, the implications of this decision in regard to the Vizag Steel Plant ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) : It has been the policy of the Government of India to consider all aspects including economic viability of a steel plant before taking an investment decision for setting up of the project.

(b) So far as Visakhapatnam Steel Plant Project is concerned, the economic viability of the project was examined while taking the investment decision on the project. Recently, the Visakhapatnam Steel Plant has re-estimated the capital cost of the project. While considering this estimate also the economic viability of the project will also be examined.

Abolition of Freight Equalisation Scheme in Case of Steel and Coal

1602. SHRI Y.S. MAHAJAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have taken a decision to do away with the freight equalisation scheme in the case of steel and coal industries;

(b) if so, the likely effect of such a move on the prices of steel items and coal and their availability in various parts of the country; and

(c) the likely impact of this change on the performance and working of the Steel Plants and Coal India Limited and its subsidiaries ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) On the basis of the recommendations made by the National Transport Policy Committee, Government have decided, in principle, to phase out the freight equalisation scheme in respect of iron and steel. This will, however, have to be done over a suitable period of time so that the industries concerned have sufficient time for adjustments in the prices. This will not however affect the availability of steel to consumers.

As for coal, the freight equalisation scheme has never been introduced and so the question of its withdrawal/abolition does not arise.

(c) There is likely to be no significant effect of this change on the performance and working of the steel plants as the freight is borne by the consumers of

iron and steel and not the steel plants.

Production of Controlled Cloth by the Mill Sector

1603. SHRI PIUS TIRAKEY : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that the mill sector prefer to pay the penalty rather than produce standard cloth and whether there is a failure of the Government to compel mill owners to produce a small percentage of controlled cloth for distribution to poorer section of society ;

(b) whether the handloom section is capable to meet the demand for controlled cloth for poor section of the society; and

(c) whether there is any special privilege providing to this sector ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) to (c) Since Oct' 78 there has been neither any obligation nor any provision for a penalty for not producing controlled cloth. All mills are required to pay additional duty for subsidising the cost of controlled cloth produced by agencies nominated for the purpose. Currently, a portion of the controlled cloth is being produced in the National Textile Corporation Mills, and the balance by handloom sector. The handloom sector is capable of taking over the total production in a phased manner during the next five years. This will entitle the handloom sector to get the subsidy which makes the cloth cheaper for the consumer. The transference of this production to the handloom sector will generate at least half million jobs in the handloom sector and help in reviving dormant looms and bring additional income to a large number of handloom weavers in the rural areas.

Translation

Setting up of Pelletisation Plant at Bailadila (M.P.)

1604. SHRI DILEEP SINGH BHURIA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government propose to set up a pelletisation plant based on iron-ore particles at Bailadila in district Baster of Madhya Pradesh; and

(b) if so, the time by which this plant will be completed ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI NATWAR SINGH) : (a) and (b) The proposal for setting up a pelletisation plant at Bailadila by National Mineral Development Corporation (a public sector undertaking under the administrative control of the Department of Steel) was considered in 1981. A market survey was conducted with a view to ascertaining the viability of the Pellet Pant and it was found from that the market conditions were not favourable for starting a new Pelletisation Plant at Bailadila. The proposal was therefore dropped.

[English]

Industrial Houses where Non-Resident Indians wish to Purchase shares

1605. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether non-resident Indians have applied in large number to invest in India;

(b) if so, the details of the major industrial houses where the non-resident Indians wish to purchase shares; and

(c) the reaction of Government to such requests and total amount which the non-resident Indians are prepared to invest ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANA-

RDHANA POOJARY) : (a) Information is being collected and will be laid on the Table of the House.

(b) and (c) The applications from Non-Resident Indians for purchase of shares in Indian companies are considered by Reserve Bank of India in accordance with the existing policies and guidelines. It is not customary to give the details of purchases such as the names of the companies, amounts of purchases, etc. before actual purchases are made.

Decline in Prices of Raw Jute

1606 SHRI NARAYAN CHOUBEY :

Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government are aware that the prices of raw jute has come down to almost the support price level of Rs. 215 and is feared to below Rs. 200 before end of August in West Bengal; and

(b) if so, steps taken to stabilise the price of raw jute at a remunerative level to the growers?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) and (b) As a result of a good jute crop during the current year, the price of W. S. variety of raw jute at Calcutta has come down to Rs. 450—500 per quintal from the earlier high price which crossed Rs. 1,000 mark during the last season. However, the price at Calcutta and in all the upcountry markets is still higher than the minimum support price fixed by the Government.

The Government has already announced the minimum statutory price of raw jute and mesta for the jute season 1985-86 (July-June). The JCI has been made responsible to undertake price support operation to the extent necessary. There are 183 purchase centres run by JCI and

another 240 run by the cooperatives in various jute and mesta growing states which could be utilised for procurement operations as and when required. The JCI has geared itself with men, machinery and money in all these centres to start procurement operation.

[*Translation*]

Closure of Textile Mills in the Country and Workers Rendered Jobless

1607. SHRI MOHD. MAHFOOZ ALI KHAN :

SHRI M. RAGHUMA REDDY :

SHRI DHARAM PAL SINGH MALIK :

SHRI AMAL DATTA :

Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total number of textile mills that have been closed down in the country, State-wise along with reasons therefor;

(b) the number of workers and other employees rendered jobless due to the closure of these mills;

(c) whether Government propose to take over these mills;

(d) if so, Government's policy in this regard; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :

(a) As on 30.6.1985, 70 cotton textile mills in the country were closed. These units are closed due to a variety of reasons labour unrest, financial difficulties and

obsolescence of plant and machinery. A Statement showing the state-wise break-up of the closed mills is given below.

(b) The number of workers on the roll of these closed mills is about 95000.

(c) There is no proposal at present to take over all these closed units.

(d) and (e) Under the new textile policy rehabilitation package are to be worked out for the revival of potentially viable sick units. Take over by the Government or nationalisation of sick units that are not found to be potentially viable is not considered to be a solution to the problems of sickness and Government would, as a rule, not intervene in such cases.

Statement

*Cotton Textile Mills Closed as on
30.6.1985*

S. No	STATE	NO. OF MILLS
1.	Andhra Pradesh	5
2.	Bihar	1
3.	Gujarat	20
4.	Haryana	2
5.	Karnataka	2
6.	Maharashtra	8
7.	Orissa	2
8.	Rajasthan	4
9.	Tamil Nadu	17
10.	U.P.	4
11.	West Bengal	4
12.	Pondicherry	1
Total		70

[Translation]

Formulation of Long Term Fiscal Policy

1608. SHRI VILAS MUTTEMWAR : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry proposed to formulate a long-term fiscal policy;

(b) whether work on the formulation of such a long-term policy has been stopped for the time being;

(c) if so the reasons therefor; and

(d) the time by which the policy is likely to be formulated ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANA-DHANA POOJARY) : Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) The policy is under formulation, and it is hoped to complete the work by end of September 1985 or so.

[English]

Modi Spinning and Weaving Mills Modinagar

1609. SHRI INDRAJIT GUPTA :

DR. CHANDRASHEKHAR
TRIPATHI :

Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government are aware that the management of the Modi Spinning and Weaving Mills at Modinagar has, since 1979, allowed its mills to become sick by neglecting investments in modernisation and showing excessive book losses;

(b) whether during the last two years and company has shut down three of its textile units on the plea of heavy losses and has thrown out 10,000 workers out of job;

(c) if so, the details thereof; and

(d) the action being taken against the management in view of the new textile policy?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH):
 (a) As per the available information, Modi Spinning and Weaving Mills has been incurring losses since 1980-81 due to prolonged labour unrest and recessionary conditions in textile industry.

(b) and (c) The following three subsidiary companies are closed from the dates mentioned against each of them :

Modi Textiles Ltd. 9.7.1984

Vishal Syntex Ltd. 3.10.1984

Modern Spinners 5.8.1983

The number of workers employed in these units was around 5000.

(d) Government have appointed a group of officers to look into the problems of closed mills. The group is aware of the problems of these mills.

Disbursement of Money Under Self Employment Scheme

1610. SHRI RAMSWAROOP RAM: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that he had directed the chairmen of 20 nationalised banks to disburse a sum of Rs. 200 crores in next two months under the self-employment scheme, and

(b) if so, the number of unemployed youths benefited with State-wise break up thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) In the meeting of Chief Executives of the public sector banks held on the 28th May, 1985 the need of early disbursement of loan in the sanctioned cases, was stressed.

(b) The State-wise number of beneficiaries who were sanctioned loan during 1984-85 under the Scheme of Providing Self-Employment of Unemployed Educated Youth is set out in the statement given below.

Statement

SL. NO.	NAME OF THE STATES/ UNION TERRITORIES	NO. OF APPLICATIONS SANCTIONED
1.	Andhra Pradesh	13,084
2.	Assam	7,642
3.	Bihar	14,806
4.	Gujarat	3,392
5.	Haryana	5,452
6.	Himachal Pradesh	2,011
7.	Jammu & Kashmir	1,119
8.	Karnataka	12,810
9.	Kerala	11,907

1	2	3
10.	Madhya Pradesh	18,065
11.	Maharashtra	18,667
12.	Meghalaya	313
13.	Manipur	1,015
14.	Nagaland	—
15.	Orissa	7,599
16.	Punjab	12,212
17.	Rajasthan	15,382
18.	Sikkim	49
19.	Tamil Nadu	22,500
20.	Tripura	707
21.	Uttar Pradesh	32,733
22.	West Bengal	22,965
23.	Andman & Nicobar Islands	101
24.	Arunachal Pradesh	60
25.	Chandigarh	300
26.	Dadra & Nagar Haveli	68
27.	Goa, Daman & Diu	337
28.	Mizoram	202
29.	Pondicherry	400
Total		2,25,898

Source : Office of the Development Commissioner (Small Scale Industries)/
Ministry of Industry. (Data Provisional)

**Seizure of Gold, Hashish by Customs
Authorities in Delhi and Bombay**

Customs Authorities during the year
1984-85 upto date in Delhi and Bombay ;

1611. SHRI LAKSHMAN MALLICK :
Will the Minister of FINANCE be pleased
to state :

(a) whether there have been seizure
of gold, hashish and other items by the

(b) if so, the details thereof ; and
(c) whether any arrests have been
made in this regard ?

**THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI JANAR-**

DHANA POOJARY) : (a) to (c) The value of main contraband items seized and the number of persons arrested during the period April, 1984 to March, 1985 and

April-June, 1985 within the jurisdiction of the Collectorates of Customs, Delhi, Bombay and Collectorate of Customs (Preventive), Bombay are given below :—

(Value : Rs. in crores)

Collecto- rate/ Customs House	Gold	Watches	Syntheti- c fabrics	Danger- ous drugs	Currency	Others	Number of Persons arrested
APRIL, 1984 TO MARCH, 1985							
Bombay	10.05	3.09	4.56	1.21	1.95	12.14	33.00 838
Delhi	2.12	0.87	0.38	3.04	0.36	1.95	8.72 226
APRIL-JUNE, 1985							
Bombay	8.02	0.57	1.12	0.99	0.37	1.62	12.69 120
Delhi	1.78	0.04	0.14	—	0.11	0.69	2.76 53

Figures are provisional.

Constitution of Claim Tribunals and Appelate Claim Tribunals for L.I.C.

1612. SHRI MANIK REDDY : Will the Minister of Finance pleased to state :

(a) whether it is a fact that Consumer Protection Organisation has been pressurising the Government for constitution of Claims Tribunal and Appelate Claims Tribunal for L.I.C. ;

(b) if so, the details thereof and action

taken thereon to protect the interests of the policy holders ;

(c) whether Government also propose to appoint Rating Committee for LIC and a Policy Holders Advisory Council as a built-in corrective system ;

(d) whether Government will free LIC from any restrictions on power for investments ; and

(e) whether Government also propose to set up a Committee for Mortality Table for constant review and revisions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) No, Sir. However, an organisation known as Consumer Education and Research Centre, Ahmedabad has been advocating constitution of Claims Tribunals for going into the death claims repudiated by the LIC.

Cases of early death claims are inquired into by the Servicing Offices of LIC to avoid possibility of payment of fraudulent claims which will be detrimental to the interests of the policy holders at large. The percentage of repudiated claims to the number of total death claims has been negligible to justify the setting up of Claims Tribunals for this purpose. Moreover, there is a Claims Review Committee which goes into the details of all repudiated claims on appeals from the claimants.

(c) LIC has already got Policy Holders Councils at the Divisional Office Level and Zonal Advisory Boards at the Zonal Offices.

(d) The power of investment is subject to the provisions of Section 27A of the Insurance Act, 1938, as applicable to the LIC, and the rules for investment framed thereunder.

(e) No, Sir.

Issue and Publication of Public Notices by Chief Controller of Imports and Exports

1613. SHRI G.M. BANATWALLA : Will the Minister of COMMERCE be pleased to state :

(a) whether Public Notices are issued and published in the Gazette of India by the Chief Controller of Imports and Exports in the Ministry of Commerce ;

(b) whether these Public Notice make Rules and Orders of a general character in exercise of a statutory power upon the Government ; and

(c) if so, under which provisions of the Import and Export (Control) Act of

1947, powers have been given to the Government to issue such public notices ?

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

(b) The Public Notices issued from time to time in exercise of executive power are purely administrative in character and not in the nature of Rules, to enable the interested sections of the public to become aware of the Government's policy and allied procedural and administrative matters through publication in the official Gazette.

(c) The executive power to issue public notices and orders is derived from the Imports & Exports (Control) Act, 1947 (Sections 3,4,4A to P in particular) read with Sections 14 and 21 of General Clauses Act, 1897.

Fall in Values of Rupee Against Pound Sterling

1614. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether the Indian Rupee dipped further to an all-time low against the British pound on the 9th July, 1985 when the Reserve Bank of India worked out the middle rate to Rs. 16.45 per pound after a Rupee devaluation of 0.31 per cent ;

(b) if so, the reasons therefor ;

(c) the impact of such wide fluctuations on the Indian economy ; and

(d) the steps taken to tone up the Indian Rupee and prevent its further devaluation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) and (c) Does not arise.

(d) The exchange rate of the rupee is fixed with reference to the value of a basket of currencies, mainly of countries which are India's major trading partners.

Thus the exchange rates between rupee and other various currencies move upward or downward depending upon the fluctuations in the value of these currencies. Thus in a regime of floating exchange rates, such frequent variations in exchange value of Rupee is a normal phenomenon.

[*Translation*]

**Utilisation of Production Capacity
by Steel Plants**

1615. DR. A.K. PATEL:

SHRI C. JANGA REDDY :

Will the Minister of STEEL, MINES AND COAL be pleased to state.:

(a) whether he had stated in Rourkela on the 23rd June, 1985 that the annual production capacity of public sector steel plants is 90 lakh tonnes whereas they produced only 56 lakhs tonnes of steel last year due to defective planning and if so, the defects in planning in detail ;

(b) the production capacity of each Plant and the quantity of saleable steel produced by each of them during each of the last three years and the details of the defects in planning responsible for producing less than their capacity ;

(c) the loss suffered during the past

one year due to less production than the capacity ; and

(d) the percentage to which production capacity of each plant has been utilised during the current year so far and the percentage of saleable steel produced by each of them ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) The Statesman of June 25, 1985 does not carry the correct version of the Minister's statement. He had stated that steel consumption was low in India as compared to other countries despite the fact that we had followed the path of planned development of the country.

(b) to (d) The saleable steel capacity of Steel Authority of India Limited (SAIL) plants and their protection during the last three years and plan for 1985-86 with actual production for April-June, 1985 is given in the statement given below.

The financial results of an industrial undertaking are dependent on a very large number of factors, including capacity utilisation. It is not feasible to calculate profits or losses on account of only one factor.

Statement

Capacity and Production of Saleable Steel : SAIL Plants : 1982-83 To 1985-86 (April-June)

ITEMS/PLANT	Installed capacity	1982-83	1983-84	1984-85	1985-86	For the quarter							
	Act- uals	Act- uals	% capa- city	% capa- city	Act- uals	Plan %age of city	Tar- get	Tar- get	% fulfilment	Installed capacity			
1	2	3	4	5	6	7	8	9	10	11	12	13	14
SALEABLE STEEL													
Bhilai Steel Plant	1965	1838	94	1574	80	1810	90@	2040	89@	422	408	97	76@
Durgapur Steel Plant	1239	813	66	602	49	621	50	720	58	128	153	119	49
Rourkela Steel Plant	1225	992	81	862	70	1013	83	1000	82	175	104	59	34
Bokaro Steel Limited	1971	1529	78	1288	65	1459	74	1720	87	389	296	77	60
Indian Iron & Steel Company Limited.	800	500	63	444	55	380	48	480	60	99	119	121	60
SAIL	7200	5672	79	4771	66	5283	73@	5960	79@	1210	1080	89	58@

@With respect to 2.5 MT stage only at Bhilai Steel Plant.

[*English*]

Export Potential Survey in North-Eastern Region

1616. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) whether a special project for surveying the export potential in the north-eastern region has been taken up by the North-Eastern Council (NEC) and an agreement made with the Indian Institute of Foreign Trade ; and

(b) what are the findings and the details of items which have a scope for export and the measures being taken to export those items?

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

(b) The study is in progress. On completion of field investigations, the study would outline the major findings and suggest measures for promotion of exports of the selected items from North-Eastern Region.

Investigation into sale of Maruti Cars

1517. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the outcome of the investigation ordered by him into the sale of Maruti cars during 1984-85 at a premium ranging between Rs. 40 to 50 thousand per car ;

(b) whether he is aware that apart from businessmen, dealers, individuals and Government Officers (including Defence Services Officers) made a profit of Rs. 30 to 50 thousand of rupees on the sale of these cars during the earlier stages ; and

(c) the steps being taken to mop up these ill-gotten wealth and tax it like 'unearned income' ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Income-tax authorities were only looking into some transfers of Maruti vehicles by the original allottees in order to ascertain investment of unaccounted funds in such transactions. Since the assessment involved in such cases is Assessment Year 1985-86, the assessees have time to file their returns up to 31.7.1985.

Use of Travellers Cheques in Nationalised Banks

1618. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that traveller cheques are a useful facility to the public with increasing internal tourism, business and hazards of carrying cash; and

(b) what steps are being taken by Government to ensure that the nationalised banks provide positive incentive to the public to make more and more use of this facility by reducing to the minimum or completely doing away with the commission and helpful attitude of the staff?

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

(b) Issue of Travellers' Cheque is a facility extended by the banks to their customers. For educating the customers and to popularising Travellers' Cheques banks have been using various means of publicity. Staff attitude is a part of Customer Service to which high priority is being given. Barring one or two exceptions, generally Indian banks do not charge commission on rupee traveller Cheques.

Aluminium Mines

1619. SHRI B. B. RAMAIAH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) details of the aluminium mines in the country and the places/States where they are situated;

(b) whether the headquarters of some of these mines are situated far away from the mines rendering administration difficult; and

(c) if so, the details of the headquarters of these mines and the reasons for situating

the headquarters far away from actual place of operation?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) to (c) Following are the Bauxite mines for the production of aluminium :

Aluminium Producer/ Company	Name of Mine	Place/ State	Distance of Mine Offices from Mine	Registered Office of the Company
(1)	(2)	(3)	(4)	(5)
BALCO	1. Amarkantak	Amarkantak (Madhya Pradesh)	Near mining site	New Delhi
	2. Phutkapahar	Phutkapahar (Madhya Pradesh)	-do-	New Delhi
MALCO	1. Yercaud	Yercaud (Tamil Nadu)	Near mining site	Mattur Dam
	2. Kollimalai	Kollimalai (Tamil Nadu).	-do-	Mattur Dam
HINDALCO	1. Shrengdag	Shrengdag (Bihar)	80Kms	Bombay
	2. Maidanpat	Maidanpat (Bihar)	55Kms	Bombay
	3. Rudnipat	Rudnipat (Bihar)	40Kms	Bombay
	4. Amarkantak	Amarkantak (Madhya Pradesh)	6Kms	Bombay
NALCO	1. Panchpatmali	Panchpatmali (Orissa)	14Kms	Bhubanes- war
INDAL	1. Lohardaga	Lohardaga (Bihar)	Near mining site	Calcutta
	2. Chandgad	Chandgad (Maharashtra)	-do-	Calcutta

Administration of the mines is done from a place close to the mines. The registered offices of the Aluminium Companies are situated in large/metropolitan towns as they have to look after not only the mines but also the alumina refinery, smelter, and marketing of the products in different parts of the country, etc.

Bengal Laxmi Cotton Mills

1621. SHRI ANIL BASU: Will the Minister of Supply and Textiles be pleased to state:

- (a) whether Government are aware that a new machine was purchased by Bengal Laxmi Cotton Mills but lying idle for a long time;
- (b) if so, the details thereof;
- (c) whether the said machine is being used now;
- (d) if so, since when it was used; and
- (e) if not, the reasons for keeping the machine idle?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH):

(a) No, Sir.

(b) to (e) Does, not arise.

Target of Production by Controlled Cloth and Janata Cloth

1622. SHRI SATYA GOPAL MISRA : SHRI SAIFUDDIN CHOWDHARY :

Will the Minister of SUPPLY AND TEXTILES be pleased to state:

- (a) whether Government have decided to raise the target of controlled cloth and Janata cloth production;
- (b) if so, the details thereof;
- (c) whether Government have also decided that the additional production will be fulfilled by the handloom sector;
- (d) whether the mills are also producing controlled and Janata cloth; and
- (e) if so, the share of the mills and handloom sectors in that regard?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a)

to (e) Government have decided to raise the target of production of controlled cloth and Janata cloth from 650 million sq. metres to 700 million sq. metres. The additional production has been allocated to the Handlooms Sector.

Controlled cloth is being produced by the National Textile Corporation Mills whether Janata cloth is produced by the Handloom Sector. The share of the NTC mills and handloom sector has been fixed at 280 and 420 million sq. metres respectively for the year 1985-86.

Workshed-Cum-Housing Scheme for Handloom Weavers

1623. SHRI SYED MASUDAL HUSSAIN : SHRI JAGANNATH PATTNAIK :

Will the Minister of SUPPLY AND TEXTILES be pleased to state:

- (a) the details of the Government's decision to construct 35,000 worksheds throughout the country in the first phase of the workshed-cum-housing scheme for handloom weavers;
- (b) the number of such worksheds to be constructed in different States, State-wise details thereof;
- (c) the estimated cost for 35,000 worksheds;
- (d) whether Central Government will contribute entire amount for this project;
- (e) if not, the reasons thereof; and

(f) what is Central Government's contribution and who will contribute the rest amount?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :

(a) Government of India has decided to implement a Centrally Sponsored Scheme entitled 'workshed-cum-Housing Scheme for Weavers' under which 35,000 worksheds are proposed to be built in VIIth Five Year Plan.

(b) State Governments have been requested in June 1985 to indicate the number of worksheds, the concerned State Government propose to take up for construction. Statewise details will be decided on receipt of proposals from the State Governments and Union Territories.

(c) Rs. 10.50 crores.

(d) No, Sir.

(e) Central Government is meeting 50% of the cost of building 35,000 worksheds as grant. Remaining cost will be met by the State Governments. This is to ensure proper involvement of State Governments in the scheme in keeping with the pattern assistance adopted for most of the other centrally sponsored handloom schemes.

(f) Out of a total cost of Rs. 3,000/- per workshed, Rs. 1,500/- will be met by Central Government and Rs. 1,500/- by respective State Governments implementing the scheme.

[Translation]

Opening of Bank Branches in Bihar

1624. SHRI VIJOY KUMAR YADAV : Will the Minister of FINANCE be pleased to state : -

(a) whether Government had fixed March, 1985 as the target for opening 1100 bank branches in Bihar;

(b) if so, whether it is a fact that only 400 branches were opened in the fixed period;

(c) if so, the reasons for opening such a small number of branches; and

(d) the target fixed by Government for opening new branches in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Branch Licensing Policy for the period April 1982 to March 1985 aimed to achieve by March 1985 a coverage of one bank office for a population of 17000

(1981 Census) in the rural and semi-urban areas. It was estimated that 1106 new bank offices would be required to be opened in the rural and semi urban areas of Bihar to achieve the objective of the policy. As against this, 1151 new centres were allotted to various banks.

(b) and (c) According to available information for the period April 1982 to February 1985, banks have opened 833 branches in rural and semi-urban areas of Bihar. The banks have been allowed time upto 30.9.85 for opening branches against the pending licences/ authorisations.

(d) The question of fixing targets, if any, for opening new bank offices in Bihar, as also in other States and Union Territories would be taken by Reserve Bank of India in the light of the Branch Licensing Policy for the Seventh Five Year Plan period which is being finalised.

[English]

Popularisation of Coffee Plantation in Orissa

1625. SHRI GIRIDHAR GOMANGO : Will the Minister of COMMERCE be pleased to state :

(a) the steps taken by his Ministry to popularise the coffee plantation in Orissa during the Sixth plan;

(b) whether a Branch office of the Coffee Board has been opened by this Ministry in Orissa; and

(c) funds provided for the year 1985-86 by Government of Orissa and his Ministry for coffee development in Orissa.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Coffee Board improved variety of seed coffee extension services, technical assistance through establishment of research and demonstration farms as well as subsidy for coffee growing.

(b) Yes, Sir. An office of the Senior Liaison Officer of Coffee Board is located at Koraput.

(c) Coffee Board provides funds under Loan and Subsidy Schemes for coffee development on an all India basis. Individual growers as well as State Government agencies engaged in coffee plantation in Orissa can avail of these facilities to the extent of the work undertaken. In addition, Coffee Board has set apart Rs. 2.50 lakhs to meet administrative expenditure of the Board in Orissa for the year 1985-86. It is reported that the State Government of Orissa has provided Rs. 11.72 lakhs for coffee for the year 1985-86.

Problems Faced by Workers of K.G.F. Mine

1626. SHRI NARSINGRAO SUKYAVANSI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the efforts made to solve the various problems faced by 30,000 workers of Kolar Gold Fields Mine so far;

(b) the problems which could not be solved as yet and the reasons therefor?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :
(a) and (b) The main problems faced by the 13,000 (approximately) workers of K.G.F. Mines relate to housing and future employment. Efforts are still on, to solve these problems of the workers within the constraints of dwindling finances of the Company which has been making losses increasingly over the years (Rs. 10.66 crores in 1984-85) with falling grades of ore, depletion of ore reserves, rising costs of production and heavy overheads.

Loss Suffered by Bhilai Steel Plant Due to Theft and Pilferage

1627. SHRI PRAKASH CHANDRA: Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the loss suffered by Bhilai Steel Plant due to theft and pilferage during

the last three years with year-wise break-up;

(b) the quantity recovered and the number of cases instituted;

(c) the number of employees and officers involved in this malpractice and the case;

(d) whether the loss due to theft and pilferage is on the increase or decrease; and

(e) the steps taken in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (d) The information is furnished as under :

(i) Loss suffered by Bhilai Steel Plant due to theft and pilferage during the last three years:—

Year	Value of theft and pilferage (Rs./lakhs)
1982-83	8.72
1983-84	1.94
1984-85	1.83

(ii) Quantity recovered and number of cases instituted :—

Year	Value recovered (Rs./lakhs)	Number of cases instituted
1982-83	8.43	80
1983-84	1.18	86
1984-85	1.81	85

(iii) Number of employees and officers involved :—

Year	Number of employees involved	Number of cases instituted
1982-83	11*	10
1983-84	13	12
1984-85	7	6

*including one Executive.

It will be seen from the above that the loss due to theft and pilferage has decreased substantially.

(e) In order to prevent theft in the plant, the following measures have been taken:—

- (i) C.I.S.F. personnel are deployed at all strategic points of entry and exit and day and night patrolling is organised;
- (ii) Better lighting arrangements are being made along the perimeter wall, these are being repaired whether necessary and action is under way to provide barbed wire fencing, wherever necessary;
- (iii) Costly items are kept in closed sheds and almirah, under lock and key;
- (iv) Regular liaison is maintained with the Police for close watch on criminals' activities. Periodical meetings between C.I.S.F. and Police are held to discuss the problem of crime and criminals in the area and for determining the strategy to meet the challenge of anti-social elements. Joint police patrolling has also been introduced in the township of the area;
- (v) Admittance passes are strictly checked to avoid unauthorised entry;
- (vi) 20 metal detectors have been purchased for use by the security staff at the gates.

Incentives Given to States for Promotion of Small Saving Deposits

1628. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) the incentives given to the States for the promotion of "Small Savings Deposits" in the post offices and the banks;

(b) whether any prizes are also given to the Districts and the States for getting first, second and third position in this regard and the details thereof and whether any targets are also fixed annually for each State/District;

(c) whether the scheme would be further decentralised to the Block level;

(d) if so, the likely date by which it would be done; and

(e) the targets for various States/ Districts during each of the past three years and current financial year and names of prize winners?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Two-thirds of the net Small Savings collections in a State are released as a long term loan to that State. The period of repayment of the loan is 25 years including an initial moratorium of 5 years. In addition, where the ratio of net collections to the gross collections in a State is higher than the All India average of net to gross ratio, loan at the rate of $2\frac{1}{2}\%$ of the net collections for every 5% increase of the State's percentage of net to gross collections over the All India percentage, is also given.

(b) to (e) No prizes are given to the Districts and the States by the Central Government. No targets are fixed by Central Government for any State/District or Block.

Banking Facilities in Rural Areas

1629. SHRIMATI JAYANTI PATNAIK: Will the Minister of FINANCE be pleased to state:

(a) whether Government have been making efforts to provide adequate banking facilities in the rural area;

(b) if so, the number of branches of various commercial banks opened in rural areas in last three years (State-wise); and

(c) how many branches of various commercial banks have been opened in

urban areas during those years, with details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The branch licensing policy of the Reserve Bank of India, since the nationalisation of major commercial banks in 1969, has been

oriented towards achieving the extension of banking facility to rural and semi-urban areas.

(b) & (c) Available information relating to the Statewise/Population Groupwise number of offices of commercial banks opened during April 1982 to December 1984 is set out in the statement given below.

Statement

Statement Showing Statewise/Population Groupwise number of commercial banks offices opened during April 1982 to December, 1984

Sr. No.	Name of State/Union Territory	Rural	Semi-Urban	Urban	Metropolitan/Port Towns	Total
1.	Andhra Pradesh	662	39	63	57	821
2.	Assam	180	32	5	—	217
3.	Bihar	633	43	43	—	719
4.	Gujarat	328	27	45	35	435
5.	Haryana	119	20	32	—	171
6.	Himachal Pradesh	100	2	—	—	102
7.	Jammu & Kashmir	96	3	15	—	114
8.	Karnataka	581	56	64	62	763
9.	Kerala	74	105	27	7	213
10.	Madhya Pradesh	823	71	57	—	951
11.	Maharashtra	600	30	75	76	781
12.	Manipur	15	—	1	—	16
13.	Meghalaya	40	4	2	—	47
14.	Nagaland	12	3	—	—	15
15.	Orissa	298	40	28	1	367
16.	Punjab	201	20	46	—	267
17.	Rajasthan	461	44	55	—	560
18.	Sikkim	10	2	—	—	12

1	2	3	4	5	6	7
19.	Tamil Nadu	380	61	73	68	582
20.	Tripura	13	3	1	—	17
21.	Uttar Pradesh	1502	87	107	30	1726
22.	West Bengal	282	63	21	55	421
23.	Andaman &					
	Nicobar Islands	1	—	—	—	1
24.	Arunachal Pradesh	14	2	—	—	16
25.	Dadra & Nagar	—	—	—	—	—
	Haveli					
26.	Chandigarh	7	—	10	—	17
27.	Delhi	7	1	—	100	108
28.	Goa, Daman &					
	Diu	10	1	—	2	13
29.	Lakshadweep	—	—	—	—	—
30.	Mizoram	18	2	—	—	20
31.	Pondicherry	3	1	—	3	7
TOTAL		7471	762	770	496	9499

Data provisional.

Exploitation of Untapped Coal Resources in North Eastern Region

1630. SHRI BAJU BAN RIYAN : Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) whether Government are aware that the North Eastern region have considerable amount of untapped coal resources;

(b) if so, whether Government are going to exploit these resources for the development of that region;

(c) if so, when and the details thereof; and

(d) the steps so far taken by Government to exploit these resources?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) to (d) Geological Survey of India has estimated a total of 894 million tonnes of coal reserves in several coal-fields of North Eastern region. Bulk of the coal resources occurs in persistent coal seams and hence, large part of these resources remain untapped. Coal is being exploited in the coalfields of Makum and Dilli-Jeypore in Assam by Coal India Ltd. Plans are afoot to exploit the resources of Namchik Coalfield, Arunachal Pradesh and Daranggiri Coalfield, Meghalaya by Coal India Ltd. Five more mines have been identified for development to exploit coal.

Raids Conducted Under 'Operation Ketu'

1631. SHRI JITENDRA PRASADA : Will the Minister of FINANCE be pleased to state :

(a) the number of raids conducted under 'Operation Ketu' recently by the Directorate General of Revenue Intelligence for revealing big evasion of Custom duties and violation of Custom rules, throughout the country ;

(b) the amount involved in economic offences detected during the raids ; and

(c) the steps proposed to be taken to proceed against the economic offenders including evaders of Income-tax like private medical practitioners and advocates ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) An operation was carried out by the Directorate General of Revenue Intelligence in the last week of June 1985 at Bombay, Calcutta, Madras, Delhi and Bangalore; and during this operation 134 premises were raided in connection with the contravention of the Customs Act and the Foreign Exchange Regulations Act.

(b) Goods worth Rs. 4.40 crores approximately were seized as also incriminating documents showing illegal transactions in foreign exchange involving huge sums of money.

(c) The steps proposed to be taken to proceed against the economic offenders are adjudication of offences, including seizure, confiscation of contraband goods and levy of penalties on the persons concerned. In cases of serious offences the offenders are prosecuted in Courts of law. Similar action is taken against evaders of Income-tax including private medical practitioners and advocates in accordance with the guidelines.

Security Arrangements for Rourkela Steel Plant

1632. SHRI ANADI CHARAN DAS : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the details of action taken/proposed to be taken to tighten the security arrangements of Rourkela Steel Plant to prevent sabotage attempts by anti-social elements ;

(b) whether Industrial Security personnel of the Plant are allowed to remain posted there for years together without any uniform transfer policy ;

(c) the steps Government propose to take in consultation with the Industrial Security Organisation of the country for timely rotation ; and

(d) whether the Industrial Security team of the Home Ministry has ever provided any guidelines for security arrangements whether the same are complied with by the management ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) Detailed action plan has been drawn out for Rourkela Steel Plant, emphasising preventive security measures by introducing access control, posting of guards round the clock at vital installations, mobile patrolling, collection of crime intelligence and follow-up action etc.

(b) and (c) The Industrial Security of Rourkela Steel Plant has been entrusted to Central Industrial Security Force. The Central Industrial Security Force personnel posted in the plant are transferred at regular intervals as per laid down policy.

(d) The Industrial Security Team of the Intelligence Bureau, Ministry of Home Affairs has provided guidelines for security arrangements. Some of the recommendations of the Industrial Security Team have been implemented and rest are under examination.

[*Translation*]

Loan Given to Farmers by Indian Bank Branch of Jale Gramodyog Kendra Bihar

1633. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the amount of subsidy deposited in the Indian Bank branch at the Jale Gramodyog Kendra, in Darbhanga district;

(b) the number of the farmers who have been given money for installing tubewells for irrigation by the above bank up to March, 1985 and the amount given to each farmer for the purpose;

(c) whether these farmers have received the subsidy amount; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) The information is being collected and will be laid on the Table of the House to the extent possible.

[English]

Heading: Pending Income-Tax Cases

1634. SHRI DAL CHANDER JAIN : Will the Minister of FINANCE be pleased to state:

(a) the number of cases of Income-tax up to Rs. 25,000/- pending as on 1st April, 1984;

(b) the number of Income-tax cases disposed of during 1984-85; and

(c) the number of cases pending as on 31st March, 1985, and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The information is being collected and will be laid on the Table of the House as soon as it is available to the extent possible.

Setting up of Banks to cater to Credit Needs of Private Housing

1635. SHRI M. RAMACHANDRAN : Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to set up banks exclusively to cater to the credit needs of private housing and whether Government expect any profit from the same;

(b) what will be the share of Central Government investment in such banks; and

(c) whether such banks are to be set up in all States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There is no proposal under the consideration of Government for setting up such banks.

(b) and (c) Do not arise.

Applications Received by NABARD for Loans from Tea Gardens of West Bengal

1636. SHRI BHOLA NATH SEN : Will the Minister of FINANCE be pleased to state:

(a) whether the National Bank for Agriculture and Rural Development (NABARD) has received applications from some tea gardens of West Bengal for loans under the interest subsidy schemes;

(b) if so, the details of such applications;

(c) the details of the schemes sanctioned and/or likely to be sanctioned by NABARD for such tea gardens in West Bengal which have shown signs of sickness; and

(d) the financial outlay involved in such applications as in (b) and (c) above?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) NABARD had received 41 proposals from tea gardens for financial assistance. Out of these, 28 schemes have been sanctioned. Three more schemes are now complete in all respects. Out of the remaining proposals eight schemes are yet to be sponsored by financial banks, and two schemes are to be revised.

(c) Except for assistance for revival of the gardens in Darjeeling District being extended under the Tea Board's Interest Subsidy Scheme, no proposals for assisting tea gardens in West Bengal which are showing sign of sickness have been received.

Financial assistance of Rs. 7.33 crores by financing banks and refinance assistance there—against of Rs. 6.60 crores from NABARD is to be made available for the 28 sanctioned schemes.

Revised Pay Scales of Officers of Nationalised Banks

1637. SHRI RAM BHAGAT PASWAN : Will the Minister of Finance be pleased to state :

(a) whether it is a fact that Indian Banks Association have announced the revised pay scales of 1.73 lakh officers of nationalised banks;

(b) whether it is also a fact that Government have changed the pay scales as agreed to between IBA and Associations of Banking Officers and also the date of effect ;

(c) whether this will create anomalies in the fixation of pay.

(d) whether due to the above anomalies there is a great resentment among the Banking Officers ; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Indian Banks' Association (ABI) has circulated to all public sector banks the revised pay scales of officers.

(b) Wage revision for officers in public sector banks is not an issue for negotiation or settlement with the associations of officers. However, as per the practice, IBA had consultations with the major unions representing the officers in public sector banks and forwarded recommendations to Government. Government took the

final decision on the revised scales keeping in view the recommendations of the IBA and other relevant factors. With the introduction of the revised scales, officers wage bill is estimated to go up by about 13.5% resulting in an increase of about Rs. 80 crores per year.

(c) Government have been advised that the revised pay scales would not result in significant anomalies.

(d) and (e) Do not arise.

Import of Coking Coal

1638. SHRI BIMALKANTI GHOSH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Steel Authority of India Limited is paying for coking coal imported from Poland at a much higher rate than the price paid by SAIL for coking coal imported from Australia ;

(b) if so, the details thereof ;

(c) the reasons why SAIL is purchasing Polish coking coal at a higher rate ;

(d) the additional expenditure incurred by SAIL due to the difference in prices of Polish and Australian coking coal; and

(e) the prices of imported coking coal as compared to the price (including freight component) of coking coal available in India ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (d) SAIL have received an offer of coking coal from Poland which is slightly higher than the cost of coking coal from the lowest tenderer from Australia. No orders have yet been placed on Poland. Purchase of goods, including coking coal, from Poland saves free foreign exchange as payments are in rupees.

(e) The average landed cost of imported coal at Bhilai Steel Plant (where bulk of imported coal is utilised) in 1985-86 is expected to be about Rs. 1225/- per

tonne against cost of domestic coking coal at Bhilai Steel Plant which is about Rs. 683 per tonne.

Arrest For Smuggling Gold

1639. SHRI LALA RAM KEN : Will the Minister of FINANCE be pleased to state :

(a) the number of persons arrested for bringing gold unlawfully from foreign countries into India and the total quantity of gold seized till now; and

(b) the gain or loss likely to be incurred by the economy of the country due to this seizure of gold ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total quantity and value of gold seized during the years 1984 and 1985 (upto June) are given below :

Year	Quantity (in Kgs.)	Value (Rs. in crores)
1984	551	10.24
1985	1360	27.82
(upto June)		

Figures for 1985 are provisional.

Separate statistics relating to the number of persons arrested in connection with smuggling of gold is not maintained. However, the total number of persons arrested in connection with smuggling activities throughout the country under the Customs Act, including persons arrested in connection with smuggling of gold during 1984 and 1985 (upto June), is given below :

Year	Number of persons arrested
1984	2345
1985	1235
(upto June)	

(Figures for 1985 are provisional)

(b) Seizures prevent gold from entering the illicit market and contributing to the generation of black money, speculation, etc.

Export of Items Despite Shortages in Domestic Market

1640. SHRI CHINTA MOHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether exports principal items has improved of late and if so, the details of raw agricultural goods and raw untreated items like ores and manufactured goods;

(b) whether it is correct that some items are being exported despite serious shortages in the domestic market such as fish, meat, vegetables, fruits and other protective food items and if so, the reasons thereof ; and

(c) whether Government propose to review its policies which are creating mal-nutrition as also inflations ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Yes, Sir. Based on the available provisional, a statement showing the value of India's exports in respect of selected principal items of agriculture & allied products, ores and minerals and Manufactured goods for the first 9 months of 1984 85 as compared to the corresponding period of the previous year is given below.

(b) and (c) The primary object of the Government is to promote exports to the maximum extent, but in such a manner that the economy of the country is not affected by unregulated exports of items essentially needed within the country. Export control is, therefore, exercised in respect of a limited number of items whose supply position demands that their exports should be regulated in the larger interest of the country. In this matter, policies are reviewed from time to time as and when necessary.

Statement***India's Export of Selected Principal Item of Agriculture and Allied Products, Ores and Minerals and Manufactured goods***

(Value : Rs. Crores)

No.	Items	April-December 1983-84 (Provisional)	April December 1984-85 (Provisional)	% change April- December 1984- 85/April Decem- ber 1983-84)
1	2	3	4	5
(i) AGRICULTURE & ALLIED PRODUCTS				
1.	Tea and Mate	370.20	535.04	+44.5
2.	Coffee and Coffee substitutes	154.40	150.71	- 2.4
3.	Tobacco unmanufactured	128.74	132.98	+ 3.3
4.	Sugar and Sugar preparations	106.08	16.26	-84.7
5.	Cashew Kernels	129.08	138.56	+ 7.3
6.	Vegetables & Fruits (other than cashew kernels)	103.67	105.14	+ 1.4
7.	Oil cakes	91.68	88.32	- 3.7
8.	Spices	69.55	122.21	+75.7
9.	Marine products	243.71	238.01	- 2.34
10.	Meat & Meat preparations	47.00	52.08	+10.8
11.	Rice	56.63	67.47	+19.1
12.	Cotton Raw	130.87	52.64	-59.8
Total of specified agriculture and allied products				
		1631.61	1699.42	+ 4.2
(ii) ORES & MINERALS				
13.	Iron Ore	273.63	273.16	- 0.2

1	2	3	4	5
14.	Manganese Ore	14.65	9.72	—33.7
15.	Mica	23.43	14.30	—39.0
16.	Ores, Minerals other than Iron ore, Manganese ore and Mica	22.39	34.98	+56.2
	Total of specified items of ore and Minerals	334.10	332.16	+ 0.6
<hr/>				
(iii) MANUFACTURED GOODS				
17.	Cotton Yarn	12.87	19.32	+50.1
18.	Cotton Fabrics	192.79	292.92	+51.9
19.	Readymade Garments	365.96	497.73	+36.0
20.	Madeup articles wholly or chiefly of cotton	59.71	60.32	+ 1.0
21.	Fabrics of man-made fibre	22.15	15.79	—24.2
22.	Silk Fabrics	28.03	35.16	+25.5
23.	Jute manufactures	137.82	214.69	+55.8
24.	Coir and Coir Mfrs.	17.34	16.76	— 3.3
25.	Leather and Leather Mfrs. (Excl. Footwear)	235.31	344.44	+46.38
26.	Footwear	13.70	20.78	+51.7
27.	Chemicals & Allied products	190.91	275.82	+44.5
28.	Gems & Jewellery	938.56	887.75	— 5.4
29.	Carpets handmade	143.71	159.02	+10.7
30.	Works of Arts	88.63	101.62	+14.7
31.	Metal Manufactures (excl. Iron & Steel)	144.20	145.85	+ 1.1
32.	Machinery & transport equipment	367.97	398.53	+ 8.3
33.	Iron and steel (incl. mfrs)	35.60	46.16	+29.7

1	2	3	4	5
Total of specified items of				
manufactured goods		2995.26	3533.66	+18.0
GRAND TOTAL (Incl. Other items)		6858.32	8146.17	+18.8

Note : (P) Commodity-wise figures are provisional and subject to revision.

Source : D.G.C.I. & S., CALCUTTA.

Proposal to Allocate Coal at Subsidised Rates in North Eastern Region

1641. SHRI N. TÖMBI SINGH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government propose to consider allocation of coal at subsidised rates for the States and Union Territories in the North Eastern region where railways have not reached ;

(b) whether there is already any proposal to meet the acute shortage of wood fuel in the said region by supplying alternative fuel like coal etc. ; and

(c) if, not, whether Government propose to consider making one in the near future ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) No, Sir.

(b) and (c) The requirement of coal of the North Eastern States will be met by Coal India Limited. However, transportation of coal will have to be done by road and proper distribution to the consumers will have to be arranged by the concerned State Governments.

Export of Mica to Free Currency Zone (Western Countries)

1642. SHRI MANVENDRA SINGH : Will the Minister of COMMERCE be pleased to state the total export of mica

to the free currency zones (western countries) from India during the year 1984-85 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : Exports of processed mica which are canalised through Mica Trading Corporation of India Limited, to the General Currency Area, during 1984-85 are provisionally placed by the Corporation at 14405 metric tonnes valued at approximately Rs. 7.18 crores.

Rise in Prices of Products of Public Sector Undertakings

1643. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the prices of public sector products/produces are continuously being raised to find additional resources and this is making the products unacceptable in world market as they cannot compete the similar products ; and

(b) if so, whether Government propose to issue suitable directions to public sector in this matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANAR DHANA POOJARY) : (a) It is presumed that the Hon'ble Member is referring to the increases in the administered prices/price increases requiring Government approval in respect of core sector industries

like coal, steel, etc. The price increases approved by the Government in these cases are mainly to compensate for increases in the cost of inputs and not for generating additional resources in the public sector industries as such. Such price increases, therefore, become inevitable even though they may affect the competitive position of the products in the world market.

(b) In view of answer to (a), (b) does not arise.

Seizure of Gold Biscuits from Sri Lankan Tamils

1644. SHRI G.G. SWELL Will the Minister of FINANCE be pleased to state :

(a) whether contraband gold biscuits were seized from the persons of Sri Lankan Tamils flying into Trivandrum and Trichy from the Maldives on May 19 and 20, 1985 ;

(b) if so, the assessed value of the contraband ; and

(c) whether this has added a new angle and dimension to smuggling activities in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) and (b) 36 passengers, who had arrived from Male through Trivandrum airport on 17th and 18th May, 1985 and two of their accomplices were intercepted at Trivandrum and Madurai and 386 gold bars, each weighing 10 tolas, valued at Rs 97.10 lakhs were recovered from their person. 32 persons apprehended were Sri Lanka nationals.

(c) Seizure of smuggled gold, at one time, in such large quantities through a large number of foreign nationals arriving from Male, is a new development.

Assessment of Assets of High Officials of Central Board of Direct Taxes and Central Board of Excise and Customs

1645. SHRI HANNAN MOLLAH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have any plan for an indepth assessment of movable and immovable assets of high officials of the Central Board of Direct Taxes and the Central Board of Excise and Customs ;

(b) if so, by what time and by what agency ;

(c) whether officials of these two front arms of Government will be asked to disclose the source of these movable and immovable assets ;

(d) whether the assessment will also include the accumulation of assets of their wives, sons, daughters and other relatives ; and

(e) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a), to (c) As per Central Civil Services (Conduct Rules), every Government servant including high officials of the Central Board of Direct Taxes and Central Board of Excise and Customs, has to submit a return of his assets and liabilities on his first appointment showing particulars of immovable property inherited, owned, or acquired by him. The Government servant has also to file an annual statement of immovable property. As regards movable assets, every Government servant has to take prior permission of the Government or intimate to the Government as the case may be, the acquisition and disposal of movable assets exceeding Rs. 2,000/- . The work of scrutiny of the annual property returns and of requests for acquiring or disposal of movable and immovable assets and the source of such acquisition, is being done in the Department itself.

(d) and (e) The above rules regarding acquisition and disposal of movable and immovable assets apply to Government servants' wives/husbands, sons, daughters and other members of the family as defined in the rules.

Closure of Kolar Gold Mines**1646. SHRI B. PAPI REDDY :****SHRI G. BHOOPATHY :****SHRI HARI KRISHNA SHASTRI :**

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the oldest goldmines viz., Kolar Gold mines are facing a closure ; and

(b) if so, the reasons for the same ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) Government have no intention of immediate closure of Kolar Gold Mines. However, gold mining in Colar has reached a depth of more than 3,000 meters and limited reserves left may not sustain the production of gold for long.

Survey Conducted to Find out Gold at Srinivasapura Kolar District, Karnataka

1647. SHRI V. S. KRISHNA IYER : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any survey has been done regarding availability of gold at Srinivasapura, Kolar District, Karanataka ;

(b) if so, the result of the survey ; and

(c) the quantity of gold estimated to be available ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) Yes, Sir.

(b) and (c) So far, the surveys have not indicated any gold deposit of economic significance in the area.

Splitting of LIC

1648. SHRI S.M. GURADDI : Will the Minister of FINANCE be pleased to

refer to the reply given to Starred Question No. 698 on 3rd May, 1985 regarding decision about splitting of Life Insurance Corporation and state the final decision as to whether Government have completely abandoned the idea of splitting the Life Insurance Corporation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : The question of reintroduction of the Bill for the splitting up of the Life Insurance Corporation of India was reviewed by the Government. It has since been decided not to proceed in the matter.

Export of Wheat by Private Traders

1649. SHRI K. KUNJAMBU : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have given permission to private traders to export wheat ;

(b) if so, the quantity exported so far ;

(c) whether it is a fact that the Indian wheat is costlier than that of many exporting countries ;

(d) if so, whether the export is being subsidised ; and

(e) if so, the details thereof ?

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

(b) No export by private traders has so far been reported.

(c) Yes, Sir.

(d) No, Sir.

(e) Does not arise.

Liberalisation of Benefits of Pension Under Coal Mines Family Pension Scheme

1650. SHRI V. TULSI RAM :

SHRI LAKSHMAN MALLICK :

Will the Minister of STEEL, MINES & COAL be pleased to state :

(a) whether there is any proposal under the consideration of Government to liberalise the benefits of pension under the Coal mines Family Pension Scheme ;

(b) if so, the details thereof ;

(c) the amount of minimum and maximum pension to be granted to the family of a coalminer ; and

(d) the approximate number of coalmine beneficiaries in the country ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE)

(a) Yes, Sir.

(b) The proposal under consideration of Govt. for liberalisation of the benefits payable under the Coal Mines Family Pension Scheme, 1971 includes :

(i) Enhancement in the rates of monthly family pension ;

(ii) Increase in the quantum of pension to the existing pensioners ;

(iii) The quantum of family pension and life assurance benefits not to be affected by the age of entry into the Family Pension Fund ;

(iv) Streamlining the payment of other retirement benefits ; and

(v) the family pension to be payable from the very next day of the death of the member.

(c) Minimum family pension = Rs. 60/- per month.

Maximum family pension = Rs. 320/- per month.

(d) The number of beneficiaries under the Coal Mines Family Pension Scheme is as under :

(i) No. of pensioners = 4,800 approx.

(ii) No. of live members = 6.75 lakhs approx.

[*Translation*]

Allocation of Grants to Madhya Pradesh

1651. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state ;

(a) the amount allocated as grants to Madhya Pradesh State by Union Government during the last three years ending 31 March, 1985, year-wise ;

(b) the amount allocated as loans during the said period, year-wise ; and

(c) the ratio between the loan and grant amount ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) to (c) A Statement is given below.

Statement

Central Assistance for State Plan released to Madhya Pradesh during 1982-83

Year	(RS. IN CRORES)			
	Loan	Grant	Total	Central assistance
1982-83	143.11	54.79	197.90	
	(72.31)	(27.69)		
1983-84	166.57	79.69	243.26	
	(68.47)	(31.53)		
1984-85	198.21	84.95	283.16	
	(70.00)	(30.00)		

The figures in brackets give the percentage share of loans and grants to the total releases during the year,

[*English*]

Jute Production in Seventh Plan

1652. SHRI AMAR ROYPRADHAN : Will the Minister of Supply and Textiles be pleased to state :

(a) what steps have been taken to export the jute products during the Seventh Plan; and

(b) the quantity of jute products to be exported in the current year?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH):

(a) The following steps have been taken to export jute products during the Seventh Plan:—

- (i) Providing higher cash compensatory support to jute crept backing cloth and yarn on the basis of matching performance by the industry;
- (ii) formation of STC-Jute industry consortium on 50:50 loss sharing basis for export of carpet backing cloth to North America;
- (iii) encouraging development of exportable products through R&D efforts;
- (iv) constituting new JMDC Jute Fund out of proceeds of jute cess to give boost to R&D efforts and export promotion;
- (v) arranging participation in International Trade Fairs and sponsoring market oriented trade delegations from time to time.

(b) Estimates of export of jute goods during 1985-86 (April-March) is 3 lakh tonnes of jute goods.

Closure of Industries due to coal Shortage

1653. SHRI JAGANNATH PATTNAIK: Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) whether industries all over the country including some in the core sector are facing grim prospects of closure or have

drastically scaled down operations because of shortage of coal which is assuming serious proportions;

(b) whether it is a fact that although the supply of coal industries has been reduced since January this year, the situation has been the worst in May, with numerous rakes of coal meant for private and public sector units; being diverted to thermal power stations; and

(c) if so, the details regarding the efforts made by Government so far to augment the supply of coal to industries?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE):

(a) to (c) The production of coal has been increasing considerably, over the years, to meet the demand of the consumers in the core and non-core sector. With the increase in production, the thrust has been on augmenting transportation of coal by rail. During the current year, there has been appreciable increase; in the loading of coal by rail as indicated below:—

Average daily loading of coal and coal products (in Four wheeler wagons/day)

April-June '84	April-June '85
----------------	----------------

CIL	9795	10413
ALL INDIA	11410	12429

In rail movement, the core sector industries get higher priority. The non-core sector units enjoying lower priorities have been allowed to supplement the rail movement, by road movement.

Further, a quantity of more than 7 million tonnes has been made available by CIL for sale by road under the scheme of liberalisation of coal distribution under which any consumer can procure upto 500 tonnes of coal at a time without any sponsorship, from specified collieries.

At times, under exceptional circumstances, some rakes intended for industrial consumers are diverted by Railways to

the Thermal Power Stations due to their extremely low stocks of coal to save them from closing down and this is made good by subsequent movement of coal to such industrial consumers.

During the months of July to October, the sector with lower priority also will get more coal by rail.

Posts Sanctioned in Directorate of Inspection

1654. SHRI BANWARI LAL BAI-RAW : Will the Minister of FINANCE be pleased to state :

(a) the number of posts of Assistant, Head Clerk, Programme Assistant, Stenographer, Upper Division Clerk, sanctioned in Directorate of Inspection and Research Statistics and Public, Relations under his Ministry;

(b) the number of Scheduled Caste/ Scheduled Tribe among them;

(c) whether many posts have been filled up by the general candidates against the reserved posts;

(d) if so, the reasons thereof; and

(e) the steps proposed to implement the roster policy for reserved posts to be filled by the Scheduled Caste and Scheduled Tribe candidates ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The position is as under :—

Name of the Post	Sanctioned Strength	Working Strength		
		Gen- eral	SC	ST
Assistant	12	9	2	1
Head Clerk	10	7	2	1
Programme Assistant	2	1	•	•

	1	2	3	4	5
Stenographer					
Special grade	3	3	-	-	-
Senior Grade	9	7	-	-	-
Ordinary Grade including One	14	5	-	-	-
for Hindi					
U.D.C.	59	46	9	3	

(c) to (e) Some vacancies reserved for SC/ST had been dereserved and filled up by general category candidates due to non-availability of eligible SC/ST candidates. The reservations are, however, being carried forward to subsequent years. Efforts are being made to fill up the reserved vacancies by SC/ST candidates.

[*Trans'ation*]

Import of Dead Burnt Magnesite

1655. SHRI HARISH RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have taken a decision to import dead burnt magnesite and if so, the reasons thereof;

(b) whether Government have received any representation from the Indian producers of this product opposing this decision;

(c) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) Yes, Sir because dead burnt magnesite of very high purity is generally not available in the country.

(b) Yes, Sir.

(c) Till such time that very high purity of dead burnt magnesite become availa-

ble indigenously, it may not be possible to stop the import of this item.

[*English*]

**Vacancies of top Level Posts in
N.T.C.**

**1656. SHRI G.S.BASBVARAJU :
SHRI H N. NANJE GOWDE :**

Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total number of posts of chairman and Managing Directors lying vacant or likely to become vacant in various subsidiaries of the National Textile Corporation Limited, New Delhi due to completion of terms of each employment or due to resignations of the existing incumbents;

(b) the details thereof; and

(c) action proposed to select a few proven persons for filling up the said posts expeditiously ?

**THE MINISTER OF STATE OF THE
MINISTRY OF SUPPLY AND TEXTILES
(SHRI CHANDRASHEKHAR SINGH) :**
(a) and (b) At present two posts of Chairmen-cum-Managing Directors are vacant. Further the CMD of a NTC subsidiary has been given notice of his intention to resign. The number of further vacancies likely to arise this year will depend on the decisions to be taken by the Government regarding grant of extensions of tenure of the present CMDs.

(c) Action is being taken to select suitable candidates for filling up the vacant posts.

**Formulation of action Plan for
Sector Banks**

**1657. SHRI SATENDRA NARAYAN
SINHA :
SHRI CHINTA MOHAN :**

Will the Minister of FINANCE be pleased to state :

(a) whether an action plan has been formulated for public sector banks as reported in the 'Economic Times' of July 6, 1986;

(b) if so, the details thereof and

(c) whether banks have accepted this plan and are implementing it ?

**THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) The Finance Minister took a meeting of the Chief Executives of public sector banks at New Delhi on May 28, 1985. With a view to improving the working of the banks it was decided that banks would adopt modern management techniques and introduced modern tools, including computers in a planned manner to improve the speed and quality of service. Chief Executives were also advised to enforce discipline and improve quality of manpower. Orderly housekeeping, particularly balancing of books and reconciliation of inter-branch/inter-bank transactions, was also one of the areas identified for concerted action. Banks were advised to draw up definite plan for attainment of targets where there had been shortfalls in performance.

Follow-up action is being taken on the various decisions taken in the meeting.

Bank Robberies

**1658. SHRI SRIHARI RAO :
SHRI C. MADHAV REDDI :
SHRI VIRDY CHANDER JAIN :
KUMARI PUSPA DEVI :**

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the number of bank robberies in the country has increased substantially;

(b) if so, the number of bank robberies in the country during 1984 as compared to the number in 1983;

(c) the total amount robbed and the total amount recovered so far;

(d) whether Government have streamlined the security arrangements/ constituted any Committee to recommend security measures;

(e) if so, the details thereof; and

(f) whether with implementation of measures, number of dacoities in banks has come down during first quarter of 1985?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Based on the available data, information regarding the number of bank robberies/dacoities that occurred in the years 1983 and 1984, the amount involved therein and the amount recovered, is given below :—

(Data provisional)

Year	No. of bank dacoities/ robberies	Amount involved (Rs. in lakhs)	Amount recovered (Rs. in lakhs)
1983	100	126.79 (approx.) + gold valued at Rs. 43.04 lakhs (approx.) + gold/gold ornaments weighing 1492.5 gms. (approx.)	38.40 (approx.) + gold worth Rs. 6 lakhs (approx.)
1984	96	Rs. 153.60 lakhs (approx.) + gold/gold ornaments valued at Rs. 11 lakhs + 4 parcels.	Rs. 47.24 lakhs (approx.) and a parcel.

(d) & (e) Government had set up a High Power Working Group in August 1982 to examine the existing security arrangements in banks and to suggest further measures for strengthening and streamlining these arrangements. The Report of the working Group was sent to the banks in August 1983 for implementation. Some of the important recommendations made by the Working Group are given in the statement below.

(f) There have been 27 banks robberies/dacoities in banks during the first quarter of 1985, as compared to 28 during the same quarter in 1984.

Statement

Some of the important recommendations made by the Working Group set up under the Chairmanship of Secretary, Department of Economic Affairs, on security arrangements in banks

1. There should be a security set up in each bank consisting of skilled and competent personnel and headed by a Chief Security Officer of sufficient experience and seniority. He should be the Adviser to the Management on security measures and shall have access to the top management at all times.

2. The Security set up will have to be field oriented and should consist of, besides the Chief Security Officer, Zonal and Regional Security Officers.

3. Banks may establish Standing Committees at Central Office and Zones and Regions to oversee security arrangements.

4. The security staff at the branch level may work under the administrative control of the Branch Management.

5. The security staff should not be burdened with non-security items of work.

6. Banks should ensure that in the event of a robbery/dacoity taking place, the damage that will be suffered is the least.

7. Banks may give selective publicity on preventive steps without disclosing the details to boost the morale of the staff as well as the confidence of the general public.

8. The weak points in the system should be identified and remedial steps taken.

9. The vulnerability of cash in transit should be reduced.

10. Banks must undertake a phased programme of strengthening the existing security arrangements in banks. Banks should also endeavour to have some kind of group security for all the banks in an area.

11. Banks must organise surprise checks, rotation of armed guards, etc. as further measures for strengthening security arrangements.

12. The Board and the Chief Execu-

tives of banks must constantly review the security arrangements in banks.

13. The bank management should sanction all reasonable expenditure necessary and connected with security arrangements in banks.

14. There should be greater and closer cooperation between law and order agencies and Bank Managements.

15. The Central Government, the State Governments and the banks will have to institutionalise the arrangements for effective coordination of security arrangements within the banks and for planning of efforts so that the maximum benefits is derived.

16. The State Policy should set up special Intelligence Cells regarding bank robberies/dacoities which can inter alia provide information to banks so that they are in a position to cope up with sophisticated methods adopted by the bank robbers and dacoits.

17. The State Governments should consider evolving suitable procedures and machinery for speedy prosecution of culprits apprehended.

Credit Deposit Ratio of Nationalised Banks

1659. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) what was the credit deposit ratio of the nationalised banks in the States of Maharashtra, Tamil Nadu, Gujarat, Andhra Pradesh, Karnataka and West Bengal in the year 1982-83, 1983-84 and 1984-85 ; and

(b) on what basis these ratios were arrived at ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The credit : deposit ratio of the Public Sector Banks (S.B.I. Group + 20 Nationalised Banks) in the States of Maharashtra, Tamil Nadu, Guja-

rat, Andhra Pradesh, Karnataka and West Bengal as on the last Friday on December 1982, December 1983 and June 1984 is set out below :-

Credit : Deposit Ratio of Public Sector Banks As on the last Friday of

State	December 1982	December 1983	June 1984
	(%)	(%)	(%)
1. Maharashtra	85.2	91.8	94.8
2. Tamil Nadu	90.9	89.7	96.8
3. Gujarat	53.3	51.4	50.3
4. Andhra Pradesh	71.3	70.9	75.9
5. Karnataka	78.9	80.3	84.8
6. West Bengal	60.3	57.4	57.3

(b) Credit : deposit ratio represents a mathematical relationship between deposits mobilised and advances granted in the region on any given date.

[Translation]

Export of Silken and Woollen Clothes

1660. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of Supply and Textiles be pleased to state :

- (a) whether the export of silken and woollen clothes had declined during the year 1984-85 ;
- (b) if so, the reasons therefor ;
- (c) whether Government propose to take some concrete steps to increase the export of said clothes ; and
- (d) if so, the details thereof and if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) to (d) (1) **SILKEN CLOTHES** : There is no decline in the exports of silk garments during the year 1984-85. In fact, the export of silk garments increased from Rs. 1607.84 lakhs in 1983-84 to Rs. 2413.54 lakhs in 1984-85. Some of the important steps taken by the Government to further step up export of this item are as follows :-

- (i) A separate Export Promotion Council named as Indian Silk Export Promotion Council has been set up for exclusively looking after work relating to export promotion of Silk items. The Council has organised participation of exporters in International Trade Fairs, Buyer-Seller Meet and Contact Promotion Programmes held in important importing countries ;
- (ii) Facilities for duty free import of raw material required for production of goods for export, Cash Compensatory Support etc. continue to be available to the exporters.
- (iii) Programmes for improving the quality of silk are already being implemented to make it competitive in the International market.

(2) **WOOLLEN CLOTH** : There has been no decline in the export of Woollen Garments and Knitwear during the year 1984-85.

Some of the important measures taken to boost export of Garments and Knitwear, including Woollen Garments are :

- (1) 114 garments and hosiery making machines have been placed on OGL. 97 of these machines are allowed to be imported on payment of concessional duty. 31 items needed for the woollen industry are included in the OGL.

(2) Entitlement under REP licences for import of essential inputs has been liberalised. Essential inputs are also permitted to be imported under Advance Licensing Scheme for export production.

(3) Cash Compensatory Support (CCS) is also available on export of woollen knitwear to General Currency Areas. Government have also announced CCS conditional on additional export performance.

(4) A scheme of 100% Export Oriented Units and Free Trade Zones is in operation which includes several textile items including woollen readymade garments.

(5) Inspection procedures for ready-made garments meant for exports have been simplified.

(6) Government has been sponsoring and funding promotional activities such as Market studies, Buyer-Seller Meets, Participation in International Fairs/ Exhibitions etc. in order to increase and diversify exports.

[English]

Working of "Bombay Clearance" System in Nationalised Banks

1661. SHRI S.G. GHOLAP : Will the Minister of FINANCE be pleased to state :-

(a) whether it is a fact that "Bombay Clearance" system was working in almost all nationalised banks in Kalyan Municipal Corporation area of Thane district of Maharashtra ;

(b) if so, whether said system has been stopped recently ;

(c) if so, when it is likely to be started again ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) to (c) Reserve Bank of India has reported that the jurisdiction of the Bombay Clearing House does not extend to the Kalyan Municipal Corporation area of Thane District. Reserve Bank of India has further reported that a few branches of banks located in the Kalyan Municipal Corporation area were earlier unauthorisedly presenting cheques and having them cleared in violation of the clearing house rules. As representations were received from the public against this stoppage, the President of the Clearing House has appointed a Committee to study the possibility of extending the jurisdiction of the Bombay Clearing House.

[Translation]

Trade Between India and USSR

1662. PROF. CHANDRA BHANU DEVI : Will the Minister of COMMERCE be pleased to state :

(a) the names of various items imported from the USSR by India during the last three years and the value thereof :

(b) the items exported to the USSR during the same period and the value thereof ; and

(c) the steps being taken by Government to increase the trade between India and USSR ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) (a) and (b) Items of import from the Soviet Union consists of Machinery, Equipment and spare parts, Crude Oil and Petroleum Products ; Chemicals and Pharmaceutical products, Fertilizers, Steel Products, Non-ferrous Metals, Newsprint and other miscellaneous products.

The items of export from India to the USSR include Agricultural Products, Minerals & Ores, Chemicals & Allied Products, Leather & Leather Manufactures, Textiles and Engineering goods and other miscellaneous items.

The total trade turnover between India and the USSR during the last three years is given below :-

(Rs. in Crores)

1982-83	1983-84	1984-85 (April-Dec)
Exports 1558.30	1305.30	1125.28
Imports 1513.44	1658.58	1236.19

(c) In order to increase trade, Government has been continuously taking various steps. These include participation in trade fairs, exhibitions & buyer-seller meets, exchange of commercial and business delegations. Annual Protocols and Five Year Trade Plans prepared after detailed discussions with USSR are further reviewed periodically at the forum of the Inter-Governmental Joint Commission.

[*English*]

Loans to Educated Unemployed by Nationalised Banks

1663. SHRI BANWARI LAL PUROHIT : Will the Minister of Finance be pleased to state :

(a) Whether Government have instructed to the nationalised banks to provide loans to educated unemployed from time to time ;

(b) how much maximum and minimum amount is given to educated unemployed as a loan for starting their work ;

(c) whether Government are aware that nationalised banks located at Nagpur (Maharashtra) are refusing to give loans even to genuine educated unemployed ; and

(d) the role of Government in this regard and action contemplated by Government in providing loans to the educated unemployed ?

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

(b) Under the Scheme the maximum amount of loan is Rs. 25,000/- per beneficiary. The amount sanctioned depends upon the each individual project and no minimum amount has been prescribed.

(c) and (d) The Scheme for providing Employment to the Educated Unemployed Youth is a subsidy supported Scheme and therefore only a given number of cases can be sanctioned in particular year and it is not possible to sanction cases over and above the given target. The Government has decided to cover 2.5 lakh additional beneficiaries under this Scheme during 1985-86.

Applicability of ban for Filling up Resultant Vacancies of Operative Nature

1664. SHRI KRISHNA SINGH : Will the Minister of FINANCE be pleased to state :-

(a) whether it is a fact that 'ban' is not applicable for filling up the resultant vacancies of operative nature, connected with Government productive work in various industrial Government Units like Government Presses, Government Vehicle Depots and other similar units etc.

(b) if so, have his Ministry issued necessary instructions to their concerned Ministries on this issue ; and

(c) action contemplated in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The instructions issued in January, 1984 advising the Ministries/Departments of the Government of India, not to fill up existing vacancies (operational or non-operational), except where recruitment action had already been taken, were part of package of anti-inflationary measures. Exemptions have, however, been allowed in a few selective cases like appointment of dependents of deceased employees on compassionate grounds and handicapped persons, redeployment of personnel surplus to one organisation in another, regularisation of casual

labourers against Group 'D' vacancies, filling up of vacancies purely by promotion etc. Proposals for filling up of other types of vacancies are, however, considered on the merits of each case taking into account the operational efficiency of the Organisation. There is no proposal at present to change the existing instructions.

[*Translation*]

**Staple Yarn for Powerlooms and Hand-
looms in Uttar Pradesh**

1665. SHRI R.P. SUMAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the district-wise number of powerlooms in Utter Pradesh and the requirements of staple yarn of each of them ;

(b) whether Government are supplying staple yarn to weavers at reasonable rates according to their requirements and if so, the quantity of staple yarn being supplied to each district and if not, the reasons therefor ; and

(c) whether Government are considering any scheme to provide staple yarn to the weavers and if so, the time by which this scheme is likely to be implemented ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHER SINGH)
(a) to (c) A statement indicating district-wise number of handlooms in U.P. is given below. The information with regard to district-wise number of powerlooms in U.P. is not available. However, there are about 24,584 powerlooms in this State working with the valid permits. According to available information, staple yarn is mainly used in Tanda and Jalalpur in district in Fiazabad, Barabanki, Malawat (Hardoi), Gorakhpur, Azamgarh, Etawah and Meerut. Estimated monthly consumption of staple yarn both for handlooms and powerlooms is around 18,000 to 20,000 bales of 100 kgs. each. A large number of the State handloom agencies and the National Handloom Development

Corporation are supplying yarn (including staple yarn) to the handloom weavers. There is not arrangement for supplying staple yarn at reasonable rates to powerloom industry in U.P. by Government.

Statement

*No. of Handlooms in U. P. State Dis-
trictwise based on estimate in the
year of 1972-73*

Sl. No.	Name of District	No. of Handlooms
1.	Varansi	68,091
2.	Azamgarh	53,412
3.	Biznoor	44,338
4.	Meerut & Ghaziabad	36,210
5.	Basti	24,216
6.	Moradabad	23,770
7.	Barabanki	23,155
8.	Faizabad	17,945
9.	Sitapur	15,218
10.	Gorakhpur	11,899
11.	Aligarh	11,537
12.	Muzaffar Nagar	11,078
13.	Bareilly	11,035
14.	Bulandshahar	10,009
15.	Kanpur	9,684
16.	Saharanpur	9,688
17.	Badayun	9,095
18.	Ghazipur	8,265
19.	Etawah	7,297

1	2	3	49.	Chamoli	340
20.	Hardoi	7,741	50.	Theri-Garhwal	325
21.	Agra	6,622	51.	Bahraich	277
22.	Farrukhabad	6,541	52.	Rae Bareilly	262
23.	Jhansi/Lalitpur	6,508	53.	Pauri Garhwal	194
24.	Etah	6,328	54.	Pithoragarh	—
25.	Pratapgarh	6,053			Total 5,09,400
26.	Jaunpur	5,925			
27.	Mathura	5,216			
28.	Rampur	4,816	1666.	SHRI KRISHNA PRATAP SINGH : Will the Minister of COMMERCE be pleased to state:	
29.	Philibhit	4,766			
30.	Shahjahanpur	5,341			
31.	Deoria	4,305			
32.	Allahbad	3,962			
33.	Unnao	3,913			
34.	Mirzapur	3,835			
35.	Mainpuri	2,885			
36.	Lakhimpur-Kheri	2,752			
37.	Ballia	2,746			
38.	Hamirpur	3,365			
39.	Zalaon	1,920			
40.	Sultanpur	1,522			
41.	Gonda	1,512			
42.	Nanital	1,414			
43.	Fatehpur	1,261			
44.	Almorah	1,252			
45.	Banda	619			
46.	Dehradun	588			
47.	Uttar Kashi	540			
48.	Lucknow	482			

Average Growth Rate of Export

1666. SHRI KRISHNA PRATAP SINGH : Will the Minister of COMMERCE be pleased to state:

(a) the average growth rate of export during the last three years;

(b) the steps being taken to increase it; and

(c) the target fixed therefor for the current financial year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) The growth rate of India's overall exports during the last 3 years averaged about 15% per annum, with a growth rate of 14.1% in 1982-83, 10.8% in 1983-84 and 20.4% in 1984-85, the 1984-85 figure is based on available provisional data which are subject to revision:

(b) Policy measures are being continuously evolved for increasing India's exports. These include measures for increasing and diversifying production, making our exports more competitive, finding new markets for our products and processing commodities for higher value realisation. Different instruments of policy available to Government are being utilised for this purpose and adjusted when necessary. The Import & Export Policy announced recently in April 1985 for a period of 3 years from April 1985 to March 1988 has been formulated to give a major thrust to exports as well as encourage efficient import substitution.

Steps are also being taken to intensify export promotion activities and commercial publicity in the important markets like USA, France etc., to increase exports of traditional as well as non-traditional products.

(c) The export target for the current financial year, 1985-86, has been fixed at Rs. 11,736 crores.

[*English*]

Reluctance of Multi-National Corporations to Make Equity Investment in Developing Countries

1668. SHRI BAJAMOHAN MOHANTY: Will the Minister of FINANCE be pleased to state :

(a) whether it has been brought to the notice of Government that multi-national corporations are reluctant to make equity investment in developing countries including India and only concentrating on providing financial resources such as managing technology and marketing and thereby shifting the investment risk to the host countries;

(b) whether Government have studied in depth the new trend in their investment strategy in Indian context and if so, the details thereof;

(c) whether Government are considering any proposal to adopt strategy to take the multi-national as partners and not as creditors; and

(d) whether this new trend of investment strategy adopted by multi-nationals stand in the way against transfer of high technology to India and the other developing countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) & (b) Government is not aware of any such strategy on the part of multi-national corporations.

(c) & (d) Government's foreign investment policy is selective and is designed

to channelise investment into areas which will reinforce our own efforts to accelerate the country's economic growth. We are therefore, looking for foreign investment primarily in areas which require sophisticated technology or where critical production gaps exist or which would help expand our export potential. Foreign investment is regarded by us more as an instrument for securing much-needed sophisticated technology than as a device for acquiring foreign capital. This has been reiterated in the Technology Policy Statement of 1983.

Agreement by STC for Supply of Rice

1669. SHRI JANAKRAJ GUPTA: Will the Minister of COMMERCE be pleased to state :

(a) the names of the foreign countries, with whom the State Trading Corporation had entered into agreements to supply rice during the years 1983-84 and 1984-85; and

(b) what are the profits earned or loss incurred by the STC from the supply of rice during the above mentioned period?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): (a) During 1983-84, the State Trading Corporation did not enter into any contract for export of Basmati Rice. During 1984-85 the Corporation entered into contracts for export of Basmati Rice to Abu Dhabi, Kuwait, Bahrain, Saudi Arabia and France.

(c) State Trading Corporation charged customary service charge ranging from 1% to 2% of the f.o.b. or C&F value as the case may be.

Appointment of Non-official Directors/ Chairmen of Nationalised Banks

1670. SHRI M. RAGHUMA REDDY: Will the Minister of FINANCE be pleased to state :

(a) how many non-official Directors/ Chairmen are appointed on each of the nationalised banks;

- (b) the functions of the Directors and the period of their term;
- (c) whether it is a fact that some of the Directors have been misusing their powers; and
- (d) if so, the details of the same and safeguards/guidelines if any, initiated by Government to ensure that the new Chairmen/ Directors do not misuse their powers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The Board of Directors of each nationalised bank has one Chairman. In terms of the provisions of the Nationalised Banks (Management and Miscellaneous) Scheme 1970 and 1980, non-officials can be appointed as Directors in respect of 9 positions on the Board of Directors of each nationalised bank.

(b) In terms of provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Acts 1970 and 1980, the general superintendence, direction and management of the affairs of a nationalised bank vest in its Board of Directors. The term of office of the Directors is governed by the provisions of the scheme which provide that non-official Directors would hold office during the pleasure of the Central Government and subject to this condition may be appointed for a term not exceeding three years as the Central Govt. may specify.

(c) & (d) There had been a few complaints against the non-official Directors of the outgoing boards of nationalised banks and the same were examined in consultation with Reserve Bank of India and appropriate corrective action taken, where it was considered necessary. On the recommendations of the Estimates Committee, Government have now decided to verify the antecedents of every person proposed as non-official Director from income tax and enforcement sources before notifying the appointment.

Quantity of Wheat Exported

1671. SHRI C. MADHAV REDDI: Will the Minister of

COMMERCE be pleased to state the quantity of wheat exported from the 1st April 1985 to end of June, 1985 and the names of the importing countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): From 1st April, 1985 to the end of June, 1985, the Food Corporation of India, exported 1,05,846 MT wheat to USSR and 40,492 MT wheat to Somalia, Sudan, Ethiopia, Kenya and Tanzania. Export of 40,492 MT to African Countries is out of gift of one lakh tonne wheat to drought affected African countries.

Supply of ore to MMTC by Mine Owners in Bihar-Orissa Belt

1672. SHRI CHINTAMANI PANIGRAHI: Will the Minister of COMMERCE be pleased to state:

- (a) whether it is a fact that the mine owners in Bihar-Orissa belt have stopped supplying ore to the Minerals and Metals Trading Corporation from 1 June, 1985;
- (b) the reasons for this development;
- (c) the steps taken by Government to resolve this crisis; and
- (d) whether our exports have in any way been affected due to this crisis?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): (a) to (c) The iron ore mine owners had suspended the supplies for a period of about 10 days in the month of June, 1985, awaiting finalisation of procurement price for which negotiations were in progress. The issue has since been settled and the Corporation had procured a quantity of 0.76 lakh tonnes for export during the month of June, 1985.

(d) No, Sir.

Settlement of Claims of Policy Holders

1673. SHRI YASHWANTRAO GADAKH PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Life Insurance Corporation of India is not settling the claims of various policy holders or their nominees on flimsy grounds;

(b) if so, the details thereof; and

(c) the steps being taken to streamline the procedure for settling the claims quickly?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) & (b) No, Sir. The LIC has been settling the claims of policy holders or their nominees as expeditiously as possible.

(c) The LIC has taken several steps to streamline the procedure for expeditious settlement of claims. The main steps taken are (i) issue of Discharge voucher (s) in advance, (ii) waiver of age proof upto certain sum assured, (iii) regular follow up both by post and in person for getting the necessary documents from the claimants; (iv) waiver of proof of title up a particular amount of claim in deserving cases and (v) delegation of power to the Branch Offices to settle maturity claims.

Funds of Nationalised Banks in Sick Industries Units

1674. SHRI MURLI DEORA : Will the Minister of FINANCE be pleased to state ;

(a) the volume of the funds of nationalised banks lying locked up in sick industrial units—large and small.

(b) whether with the experience thus gained in financing Government propose to re-frame their credit policies governing credit to industrial units; and

(c) the steps being taken by Government to recover the locked up amounts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As at the end of June, 1984, the amount of credit from nationalised banks and State Bank of India and its Associates outstanding against large,

medium and small scale sick industrial units was Rs. 3143.86 crores.

(b) & (c) It is the function of the banks to recover the loans advanced by them to industrial units. In regard to sick industrial units, the banks are expected to determine the viability of the unit and nurse the viable units to health so as to, eventually, recover their dues. In the case of non-viable units, the banks may recall the advances and take recourse to legal measures for recovering their dues. There is no proposal under consideration of the Government, at present, to reframe the credit policies governing credit to industrial units.

New Market for Spices of Kerala

1675. SHRI V.S. VIJAYRAGHAVAN : Will the Minister of COMMERCE be pleased to state :

(a) whether any significant effort has been made to find new markets for the spices of Kerala like pepper, cardamom, cinnamon, etc;

(b) if so, whether the export of these spices has increased during the past one year and the details thereof;

(c) whether the trade delegations and missions play a useful role in boosting export; and

(d) if so, the facts thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Efforts to find new markets for spices are made by sending delegations abroad, arranging contact promotion programmes, participating in fairs and exhibitions, receiving delegations from abroad, etc.

(b) The export of spices including Cardamom from India during 1984-85 is estimated to be worth Rs. 210 crores as against Rs. 116 crores in 1983-84.

(c) & (d) Trade delegations have been instrumental in development of export of Spices to the countries covered.

**India's Balance of Trade with U.S.A.,
U.S.S.R. and Japan**

1676. SHRI P. PENCHALLIAH :
Will the Minister of COMMERCE be pleased to state :

(a) what is India's balance of trade with USA, USSR and Japan;

(b) what are the annual exports to and imports from each of these countries;

(c) whether any of these countries accept payment in Rupees; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) & (b) The figures on India's exports to and Imports from, as also the balance of trade with USA, USSR and Japan are as follows :—

(Value Rs. crores)

U.S.A.			
	1982-83*	1983-84*	1984-85*
			(April-Dec.)
Exports	950.25	1394.71	1252.40
Imports	1370.66	1790.86	1105.78
Balance of trade	—420.41	—396.15	+146.62
U.S.S.R.			
Exports	1558.30	1305.30	1125.28
Imports	1513.44	1658.58	1236.19
Balance of trade	+44.86	—353.28	—110.91
JAPAN			
Exports	794.63	825.63	755.47
Imports	1069.98	1455.53	787.48
Balance of trade	—275.35	—629.90	—32.01

(c) Of these three countries, it is only with the USSR that India's trade is conducted through a bilateral rupee payments arrangement.

(d) The relevant figures on trade between India and the USSR are set out above.

Information by Indian Embassies
Regarding Investment in India by
Indians Abroad

1677. SHRI THAMPAN THOMAS :
Will the Minister of FINANCE be pleased to state :

*The above figures are provisional and subject to revision.

Note : The exports of crude oil are not included in the above figures for these countries.

(a) whether the Indian Embassies do not provide adequate and proper information to Indians abroad to invest their money in India;

(b) the steps Government propose to take to provide adequate information through Indians abroad to invest in India;

(c) whether on their arrival in India Government have adequate arrangements to take care of the money they bring from abroad particularly from Gulf countries; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) & (b) No, Sir. Our Embassies are supplied with information about the opportunities available to Indians abroad for investment in India and they do provide this information to the Indians abroad.

(c) & (d) The money brought by Indians while returning from abroad is their private property which they are free to invest or utilise according to their choice. However, Government provide certain facilities to Non-Resident Indians like exemption from Wealth tax, for a period of seven successive assessment years commencing with the assessment year next following the date of their return to India. This is applicable to the money brought by Non-Resident Indians on their permanent return to India as well as balances kept in their Non-Resident (External) accounts.

Formation of sub-Committee to look into Financial Requirement of Tea Industry

1678. SHRI MANIK SANYAL : Will the Minister of Finance be pleased to state :

(a) whether it is a fact that the Reserve Bank of India has decided to form a sub-committee to look into the financial requirements of the tea industry and also to simplify Procedures;

(b) if so, the details thereof;

(c) who are the members of the said sub-committee and

(d) the steps taken so far by Government to meet the financial requirements of the tea industry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Reserve Bank of India (RBI) have reported that no sub-committee look into the financial requirements of the tea industry and also to simplify the procedures has been constituted by them. However, a Standing Committee on Co-ordination of Institutional Finance for Tea industry consisting of 22 members comprising representatives from Government, Reserve Bank of India, Tea Board and Tea Associations has been constituted by RBI in 1982 to study the financial problems of tea industry on an on-going basis. The Committee meets at periodical intervals to discuss various problems of tea industry—financial and otherwise—that may be referred to it.

(d) The financial requirements of the tea industry are met by loans from the commercial banks, industry's own resources and under the various Schemes (loans and subsidy) of the Tea Board.

Detection of Economic Offences by Directorate General of Revenue Intelligence

1679. SHRI S. M. BHATTAM : Will the Minister of FINANCE be pleased to state :

(a) whether in an operation the Directorate General of Revenue Intelligence swooped on business premises and also checked international airports in the country in July, 1985 and detected economic offences to the tune of about rupee 30 crores; and

(b) if so, further details in regard to such detection in the current year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) In an opera-

tion carried out by the Directorate General of Revenue Intelligence during the last week of June, 1985, goods worth Rs. 4.40 crores (approximately) were seized/detained, besides documents indicating "hawala" transactions invoice manipulations, etc., involving crores of rupees.

Besides, the special operation at international airports resulted in the collection of customs duty on excess baggage amounting to Rs. 1.14 crores.

(b) During the first six months of 1985, the total value of contraband goods seized amounted to about Rs. 83.68 crores (provisional). The Directorate of Enforcement (Foreign Exchange Regulations Act) had seized Indian currency amounting to Rs. 1.18 crores and foreign currency equivalent to Rs. 54.79 lakhs during January to June, 1985.

[*Translation*]

Constitution of Banking Service Commission

1680. SHRI NARSINH MAKWANA : Will the Minister of FINANCE be pleased to state :

(a) when Banking Service Commission was constituted to make recruitment of officers for Nationalised Banks and when its Chairman and members were appointed and when they started working;

(b) the terms and conditions of the service of members of this Commission and whether all the members have been appointed under these terms and conditions; and

(c) the name of the place where its headquarters has been located and whether its regional offices will also be set up?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The notifications regarding the setting up of the Banking Service Commission, the appointment of Chairman and Members of the Commission and the location of the Commi-

ssion's Head Quarters have not yet been issued. The Banking Service Commission Act does not provide for the commission setting up regional offices.

Advertisement of Foreign goods

1681. SHRI S. JAIPAL REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether there is heavy advertisement of foreign goods such as Cannon and Minolia Cameras, National Panasonic and Sanyo consumer electronics in the press, though they are not manufactured or to be sold in India ; and

(b) whether Government are aware of stimulation of demand for them in India leading to such undesirable phenomena as smuggling, etc.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Such foreign consumer electronic items are advertised in the Press.

(b) Such advertisements are parts of the global strategy of the foreign manufacturers for the promotion of their products and influencing the preferences of consumers, including Indian tourists going abroad.

Appointment of Directors of SAIL Board

1682. SHRI CHITTA MAHATA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are considering to appoint Directors on the Board of the State-owned Steel Authority of India Limited from the eminent experts from the Tata Iron and Steel Company Limited and other private sector companies; and

(b) if so, the details thereof and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K.

NATWAR SINGH) : (a) and (b) It is proposed to reconstitute the Board of Directors of Steel Authority of India Limited so as to include persons of standing in the field of industrial management. The composition of the restructured Board will be decided in due course.

Proposal to set up Coal Carbonisation By-products Corporation

1683. SHRI SUDHIR ROY : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is any proposal to set up a Coal Carbonisation By-products Corporation;

(b) is so, when and the details thereof; and

(c) the steps so far taken in this regard ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) No, Sir.

(b) and (c) Does not arise.

Restriction on Output of Exportable Tea

1684 SHRIMATI KISHORI SINHA : Will the Minister of COMMERCE be pleased to state:

(a) whether an inter-Government group of tea producers met at Rome recently to avert decline in tea prices;

(b) if so, what were its decisions; and

(c) whether any restrictions will be imposed in output of exportable tea to ensure that there is no fall in its prices?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) A meeting of the Inter Governmental Group (representing both producing and consuming countries) on tea was held under the aegis of F.A.O. in Rome from 1st to 4th July, 1985. The

topics discussed included current tea situation, long term prospects, barriers to tea trade, export of processed teas by producers and international action on tea. There was a consensus that recent price decline was a result of over-supply of teas of a quality below those normally traded. It was agreed that there was need for more information on the market behaviour and the producing countries generally agreed to enforce ISO 3720, minimum quality standard on an immediate basis. Measures to limit the volume of tea production or exports were not specifically discussed.

Increase in Rates of Shares Due to Speculation

1685. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether following the announcement made by Government regarding economic and industrial development, the rates of shares have gone up unexpectedly high in the stock exchanges because of speculations;

(b) if so, whether to curb this tendency of speculation Government had in the past considered the question of according recognition to companies as member of the stock exchanges;

(c) if so, the comprehensive steps taken to curb the tendency of speculation in the stock exchanges in the country these days; and

(d) if no such steps have been taken, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Reserve Bank of India Index number of prices of ordinary shares (1970-71 = 100) increased by 45.82 per cent from 240.7 for the week ended the 16th March, 1985 to 351.0 for the week ended the 13th July, 1985 due mainly to several favourable factors obtaining in the Indian economy.

(b) Government had some time back considered a proposal to make companies,

which were formed in compliance with the provisions of Section 322 of the Companies Act, 1956 and in which all their Directors had unlimited liability, eligible to become member of recognised Stock Exchanges. However, this proposal was not related to curbing of speculation.

(c) & (d) Trading in securities in the Stock Exchanges is governed by the bye-laws and regulations of Stock Exchanges. Various regulatory measures under the bye-laws and regulations such as imposition of different kinds of margins, restrictions on the outstanding business position of members of Stock Exchanges etc., have been taken by the Stock Exchanges on their own and at the instance of the Government with a view to ensuring smooth settlement of transactions in securities. Government are keeping a constant watch on the functioning of Stock Exchanges.

Exploiting of Services of Weavers

1686. SHRI VISHNU MODI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government's attention has been drawn to the fact that despite per thousand spindles availability of workers in NTC mills in Beawar-Vijayanagar (Rajasthan) the local management instead of utilising their services are exploiting them;

(b) if so, whether Government have received any complaints in this regard;

(c) if so, the reaction of Government thereto and action taken thereon; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :

(a) to (d) Government have given categorical directions to the National Textile Corporation to eliminate losses in each of its mills. Government cannot continue to run loss making units indefinitely. Elimination of losses may, *Inter-alia*, require the revision of work load norms. It is expected that workers will cooperate in

this regard. The question of exploitation of workers in NTC, where Government as the owner is keen on their welfare, does not arise.

Submission of Proposal for Afforestation Etc to NABARD by West Bengal Forest Development Corporation

1687. SHRI AJIT KUMAR SAHA : Will the Minister of FINANCE be pleased to state ;

(a) whether the West Bengal Forest Development Corporation had recently submitted to the National Bank for Agriculture and Rural Development (NABARD) a composite proposal for afforestation, construction and renovation of roads and construction of buildings and sheds;

(b) whether the said proposal also included a venerring unit, a katha unit and a particle board unit;

(c) if so, the decision of the NABARD on these three proposals;

(d) whether the said proposal was passed by the said organisation; and

(e) if not, the reasons for the same, in details?

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

(c) to (e) The proposal could not be cleared by NABARD for want of certain information relating to availability of adequate raw materials and sources from where these raw materials would be available on a sustained basis. The Corporation is being requested to furnish these details.

Constitution of Spices Board

1688. PROF. P.J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have decided to constitute a Spices Board ;

- (b) whether the existing Cardamom Board is going to be abolished;
- (c) whether Government have received any representation against the abolition of the Cardamom Board; and
- (d) if so, whether the Cardamom Board will be retained while constituting the Spices Board?

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

(b) The existing Cardamom Board will get merged in the proposed Spices Board.

(c) Yes, Sir.

(d) The proposed Spices Board will undertake all the functions presently performed by Cardamom Board.

Plan to Overhaul Distribution of imported Scrap Ships

1689. SHRI R.P. DAS : Will the Minister of STEEL, MINES AND COAL be pleased to state :

- (a) whether the whole system of distribution of imported scrap ships in the demolition market by the canalising agency, the Metal Scrap Trade Corporation, requires thorough overhauling;
- (b) if so, whether Government have any plan to do same soon;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NAT-WARSINGH) : (a) No, Sir. However, in the guidelines for distribution of scrap ships for 1985-86 a provision has been made for uniform distribution of tonnage amongst all shipbreaking units over a 24 months cycle. Last year's guidelines provided for allotment of one scrap ship to each ship-breaking unit the size of the ship being determined by natural facilities like draft at the site of the shipbreaking unit.

- (b) to (d) Do not arise.

Expansion of Indo-Arab Trade

1690. KUMARI PUSHPA DEVI : Will the Minister of COMMERCE be pleased to state the broad outlines of the steps taken to expand Indo-Arab Trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : Broad steps taken to expand Indo-Arab Trade are :

- (i) Identification of new areas for cooperation in the field of joint ventures, project exports, operation and maintenance services etc.;
- (ii) Participation in Trade Fairs and Exhibitions abroad;
- (iii) Exchange of Trade delegations;
- (iv) Conducting Market Surveys in selected areas and in selected products;
- (v) Holding of Bilateral trade talks;
- (vi) Identification of thrust areas where potential for export is high;
- (vii) An Indo-Arab Seminar was held in New Delhi from 1st to 4th May, 1985. It was organised by the Federation of Indian Export Organisations with the active support of the Ministry of Commerce. The discussions in the seminar inter-alia touched on issues in the areas of industrial support, infrastructure, construction and project exports.

[*Translation*]

Indo-Pak Agreement to Curb Smuggling of Narcotics

1691. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

- (a) whether the recent meeting of Indo-Pak Joint Commission both India and

Pakistan have agreed to establish contact for identifying the organisation engaged in the smuggling of narcotics and to arrest those smugglers;

(b) if so, the steps taken in this direction and the names of the smugglers apprehended and the names of the organisations engaged in smuggling of narcotics which have been identified and have been raided upon; and

(c) if no action has been taken, the date from which this agreement will be implemented and the expenditure proposed to be incurred by Government thereon during the current year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) At the second meeting of India-Pakistan Joint Commission held from the 2nd to 4th July, 1985 at New De'hi, it was agreed that the respective intelligence and enforcement agencies of the two countries would mutually exchange, for appropriate action, information regarding seizures of narcotics, persons arrested and other relevant details and develop intelligence on suspected narcotics smugglers operating between Pakistan and India through sea-ports, airports and land routes.

The exchange of information would commence after the modalities in this regard have been evolved and agreed to by both the sides. The expenditure likely to be incurred in this connection during the current year cannot be estimated at this stage.

Issue of Currency Notes in Rs. 500 Denomination

1692. SHRI P.A. ANTONY : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to issue currency notes in the denomination of Rs. 500; and

(b) if so, when it will be issued?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Yes, Sir. Preliminary work relating to the preparation of suitable design for bank notes in the denomination of Rs. 500/- has been taken in hand. As the printing of bank notes is a highly technical matter, and the various stages of preparation leading thereto take considerable time, it is expected that such notes may be issued in the latter half of 1986-87.

Production of Spun Silk/Noil Yarn

1693. DR. A. KALANIDHI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the mills and their installed capacities and production in the field of spun silk and noil yarn in India;

(b) whether the production falls short of the demand;

(c) if the demand fall short of the production, why imports are allowed; and

(d) whether there is any check by Government about the utilisation of imported spun silk/noil yarn in the proper field?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) Spun Silk Mills and their installed capacity and production are as under :

(Tons)

Name of the Mills	Installed Capacity Production (1984-85)			
	Spun Silk Yarn	Noil Yarn	Spun Silk Yarn	Noil Yarn
1. Channapatna Spun Silk Mills (Karnataka)	50	72	41	37

2. Assam Spun Silk Mills (Assam)	24	27	30	10
3. Bihar Spun Silk Mills (Bihar)	24	30	8	26
4. Spun Silk India Ltd. (Karnataka)	120	100	11	5
			(Sept. '84—March '85)	
			Have started production in	
			September, 1984	
5. Arco Spun Silk Mills (Karnataka)	51	15	Has not yet started production	
6. H.J.S. Spun Silk Mills (Karnataka)	20	—	-do-	
Total :	339	245	90	78

(b) Yes, Sir.

(c) Does not arise.

(d) Under Import Export Policy, import of these items is allowed against REP licences including duty free REP licences on exports of specified silk items. These REP licences are issued for replenishment of the item used in the export product based on their usage in the export product. Since these imports are allowed only as replenishment of material already used in the export product, these are not subjected to actual user conditions. In fact, for this reason, all REP licences are freely transferable. Import of these items is also allowed against Advance Licences issued under the Duty Exemption Scheme. Under this scheme, import of inputs is allowed duty free with obligation to export the finished product for value depending upon the value addition expected to be realised on the imported material. For the fulfilment of export obligation, the exporter is required to execute a bond with bank guarantee or legal agreement depending upon the status of the exporter. In case the Export obligation is not fulfilled, the bond/legal agreement enforced on the exporter entailing him to pay the import duty

on the raw material alongwith penal interest thereon. Besides, the exporter is also liable to be proceeded against under the Import & Exports Trade Control Act and the orders issued thereunder.

Further under the flexibility provisions provided in para 204 of the Import Export Policy, 1985—88, REP licences issued to Manufacturer—Exporters against exports of Select products manufactured by him can be endorsed for import of these items for a value depending upon the export performance of the exporter. This endorsement is allowed subject to actual user (AU) condition. Merchant export/trading houses can also get the said endorsement subject to the condition that the goods so imported will be disposed off to its supporting manufacturers subject to AU condition. The utilisation of the imports under this category is safeguarded in terms of para 238 of the Hand Book of Import-Export-Procedures, 1985—88 which provides that the actual users shall maintain a true and proper account of the consumption and utilisation of imported goods. These accounts are open to inspection and verification by the sponsoring authorities, CCI & E Licencing Authorities or any other Government Authority authorised by the Chief Controller of Imports and Exports.

Opening of Office of Chief Controller of Export and Import at Varanasi

1694. SHRI SHYAM LAL YADAV : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware of the demand for opening the office of the Chief Controller of Export and Import to help exporters of Varanasi silk sarees and carpets ; and

(b) if so, when the demand will be met ?

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

(b) The request has been referred to the Study Team set up by the Government to consider restructuring and other functional aspects of the CCI&E organisation.

Smuggling on the Borders

1695. SHRI AMARSINH RATHAWA : Will the Minister of FINANCE be pleased to state :

(a) the number of smugglers arrested during the first six months of this year on our borders and the details of the goods recovered from them ;

(b) whether large quantities of arms are also smuggled by those smugglers ;

(c) if so, the details of arms recovered during the said period ; and

(d) the special steps being taken to seal our borders to avoid smuggling ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) The information is being collected and will be laid on the Table of the House.

Categorisation of Posts and Branches in Nationalised Banks

1696. SHRI G.M. BANATWALLA : Will the Minister of Finance be pleased to state ;

(a) whether any guidelines have been recently issued by Government on categorisation of posts and branches in nationalised banks ;

(b) if so, what are these guidelines ;

(c) whether the All India Confederation of Bank Officers' Organisation AICOBBO, the Indian Banks' Association (IBA) and other unions were consulted before the issue of these guidelines and if not, the reasons therefor ;

(d) whether these guidelines would curtail promotional prospects ;

(e) whether the AICOBBO, IBA and others have objected to the said guidelines ?

(f) if so, the nature of these objections ; and

(g) Government's reaction thereon ?

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

(b) In accordance with the provisions of Officers Service Regulations, branches have to be classified into small, medium, large etc. according to the criteria to be approved by Government. Government had earlier issued certain guidelines indicating the criteria for classifying branches. These criteria were recently revised and fresh guidelines have been issued under which, among other things, the criteria for business turn-over has been revised upwards.

(c) Discussions and consultations between Government and IBA on all issues affecting the industry is a continuous process. These guidelines were issued to the banks after taking into account all relevant factors.

(d) to (g) The All India Confederation of Bank Officers Organisations (AICOBBO) in its circulars have objected to the modifications in the criteria for categorisation of branches on the plea that large number of posts will have to be

downgraded and promotional avenues will be very much reduced. Government are awaiting the views of the IBA in the matters.

Proposal to set up More LTC Plants

Near Pit-heads

1697. SHRI PURNA CHANDRA MALIK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is any proposal to set up more Low Temperature Carbonisation Plants near the pit-heads ;

(c) if so, the details thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a), (b) and (c) No, Sir. The setting up of such plants depends upon their economic viability which in turn depends on plant capacity and total utilisation of the gas.

Fibre Cable Factory in West Bengal

1698. SHRI PURNA CHANDRA MRLIK : Will the Minister of FINANCE be pleased to state :

(a) Whether the Public Investment Board has received offer to two sites for the proposed fibre cable factory from the West Bengal State Government;

(b) if so, which are those sites ;

(c) whether any decision in this matter has been taken by the Public Investment Board ;

(d) if so, the decision matter ; and

(e) if not, the reasons for the delay ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) No. Sir.

(b) to (e) Does not arise.

STC's Failure to Ship Rice to Abu Dhabi

1699. SHRI SANAT KUMAR MANDAL :
SHRI MOHD. MAHFOOJ ALI KHAN :

Will the Minister of COMMERCE be pleased to state :

(a) whether due to the failure of the State Trading Corporation to honour its commitment, Abu Dhabi has cancelld its order for the supply of 10,000 tonnes of basmati rice ;

(b) the reasons for the STC's facilure to ship the commodity as per the price schedule orginally agreed upon and whether any responsibility has been fixed for this lapse ;

(c) whether the Possibility of repercussions on other items exported by India has been assessed ; and

(d) if so, its outcome and how the STC has been geared to meet this situation and honour its international trade commitments ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) (a) & (b) State Trading Corporation (STC) signed a contract on 6.3.1985 with Abu Dhabi Municipality for export 10,000 MT Indian Basmati rice with firm commitment of 7500 MT and 2500 MT optional to be exercised by STC within 30 days of first shipment. The contract could not be implemented as the foreign buyers cosidered, after inspection, that the rice offered did not meet the specifications and cancelled the contract. The officer who handled the contract offered and has been allowed to leave the Corporation.

(c) & (d) STC has decided to depute a delegation to Abu Dhabi for exploring the possibility of entering into a fresh contract for export of basmati rice.

**Assets of Indian Companies in Joint Ventures
Abroad**

1700. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to refer to the reply given to Unstarred Question No. 7227 on 17 May, 1895 regarding Indian companies having investment outside India and state :

(a) the names of 43 Indian companies belonging to 26 Indian Industrial Houses (including some hoteliers like Taj, Oberoi and others) which have set up joint ventures in operation, the countries concerned, the total assets of these companies, (liquid and equity capital participation and in terms of know-how and plant, machinery and equipment exported from India), the dividends repatriated by the Indian companies as per upto-date information available with his ministry ;

(b) what check is being exercised over the mis-spending of foreign exchange earned by the Indian companies, the Directors and Executives during their visits abroad on business promotion ; and

(c) how is it ensured that the full amount of dividends earned is repatriated ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) The names of the 43

companies in India, with total assets of Rs. 3,422.19 crores in 1983, for which figures are available and the countries in which their joint ventures have been set up are given in the statement below. The total investment in the joint ventures set up abroad by these Indian companies in the forms of equity is of the order of Rs. 88.60 crores. Out of this Rs. 64.05 crores was contributed through exports of Machinery etc., Rs. 2.61 crores through capitalisation of know-how, Rs. 4.68 crore by cash remittance, Rs. 13.55 crores by bonus shares and Rs. 3.71 crores by other methods. The estimated amount repatriated as dividends by these joint ventures is of the order of Rs. 5.23 crores approximately so far.

(b) and (c) : One of the condition imposed at the time of issuing approvals relates to submission of periodical reports. RBI calls for certified copies of balance sheets and profit and loss account together with Directors' report of the overseas joint ventures and a certificate from overseas auditors indicating how the amounts of dividend etc. due to the Indian participant have been arrived at. The spending of foreign exchange by the Directors and executives of the Indian companies during their visits abroad regarding business promotion are controlled by R.B.I. under the normal foreign exchange regulations.

Statement

S. No.	Name of Industrial House	Name of Indian Company	Country
(1)	(2)	(3)	(4)
1.	Oberoi	Oberoi Hotel (India) P. Ltd.	Australia, Saudi Arabia, Nepal Egypt
2.	Birla	Century Spinning & Mfg. Co. Ltd. The Gwalior Rayon Silk Mfg. Co. Ltd. Bharat Commerce & Industries Ltd. Hyderabad Asbestos Cement Product Orient Paper Mills Ltd. Birla Bros Pvt. Ltd.	Indonesia, Malaysia Indonesia, Thailand, Thailand Indonesia Nigeria Kenya Nigeria (Port Harcourt) & (Lagos), Thailand.
3.	Thapar	Birla Jute Mfg. Co. Ltd. Eastern Spinning Mills Ltd. Ballarpur Industries Ltd.	Uganda Phillipines Indonesia, Malaysia, Thailand, and Nigeria Malaysia Nigeria
4.	Kirloskar	J. G. Glass Industries Ltd. Karamchand Thapar & Bros Ltd. Kirloskar Bros Ltd. Kirloskar Electric Co. Ltd.	Kenya, U.K., U.S.A., Mauritius Malaysia (Selengor) & (Kuala Lumpur) Malaysia. Malaysia, Singapore
5.	Tata	The Tata Oil Mills Co. Ltd. Tata Engineering Locomotive Co. Ltd. Tata Exports Ltd. Volta International Ltd.	Oman Oman Oman Oman

(1)

6. Godrej

Godrej & Boyce Mfg. Co. (P) Ltd.

Godrej Soaps Ltd.

Gajra Gears

Gajra Gears (P) Ltd.

7. Asian Paints

Asian Paints India Ltd.

Malaysia

8. M.A. Chitambaran

First Leasing Co. of India Ltd.

Southern Industrial Corpn. Ltd.

10. Aluminium Industries

Aluminium Industries Ltd.

11. Singe Large House

Southern Petro-Chemical Ltd.

12. Sri Ram

Jay Engg. Works Limited

Senegal

13. Best & Crompton

Best & Crompton Engg. Ltd.

Nigeria

14. Mohan Meakins

Mohan Meakins Ltd.

Nepal

15. Bajaj

Bajaj Auto Ltd.

U.S.A

16. J.K. Singhania

Raymonds Woollen Mills Ltd.

Kenya

17. Usha Martin Black

Usha Martin Black

Thailand

18. Gokak Patel

Gokak Patel Volkart Ltd.

Indonesia

19. Nowrojee Wadia

Bombay Dyeing & Mfg. Co. Ltd.

Indonesia

20. Gammon India

Gammon India Ltd.

U.A.E.

21. Essar Bulk Carrier

Essar Bulk Carriers Ltd.

Singapore

(3)

6. Godrej

Godrej & Boyce Mfg. Co. (P) Ltd.

Malaysia

7. Gajra Gears

Gajra Gears (P) Ltd.

Malaysia

8. Asian Paints

Asian Paints India Ltd.

Fiji, Tonga

9. M.A. Chitambaran

First Leasing Co. of India Ltd.

Singapore

Singapore

10. Aluminium Industries

Aluminium Industries Ltd.

Nigeria

11. Singe Large House

Southern Petro-Chemical Ltd.

Sri Lanka

12. Sri Ram

Jay Engg. Works Limited

Nigeria

13. Best & Crompton

Best & Crompton Engg. Ltd.

Nepal

14. Mohan Meakins

Mohan Meakins Ltd.

U.S.A

15. J.K. Singhania

Raymonds Woollen Mills Ltd.

Kenya

16. Usha Martin Black

Usha Martin Black

Thailand

17. Gokak Patel

Gokak Patel Volkart Ltd.

Indonesia

18. Nowrojee Wadia

Bombay Dyeing & Mfg. Co. Ltd.

Indonesia

19. Gammon India

Gammon India Ltd.

U.A.E.

20. Essar Bulk Carrier

Essar Bulk Carriers Ltd.

Singapore

(4)

(1)	(2)	(3)	(4)
22.	Nihant Shipping	J. Thomas & Co. (P) Ltd.	Singapore
23.	Singe Large	Colour Chem Ltd.	Sri Lanka
24.	Simpson	India Pistons Ltd.	Malaysia
25.	Khatau	Phenix Distributors (P) Ltd.	U.A.E.
26.	Ma fat Lal	Polyolefin Industries Ltd. Indian Dyestuff Industries Ltd.	Malaysia Thailand

Finance allotment for the production of coal during Sixth and Seventh Five Year Plan

1701. SHRI B. B. RAMAIAH Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) details of financial allotment made during the first year of Seventh Five Year Plan and during the whole Seventh Five Year Plan for production of coal in the country;

(b) whether in the light of all round developments more financial allotment has been made in Seventh Five Year Plan as compared to that of Sixth Five Year Plan;

(c) if so, the details thereof and the extent of increased availability of coal ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :
(a), (b) and (c) Details of financial allotment for the first year of the 7th Five Year Plan are as under :

(Amount in Rs. Crores)

Sl. No.	Company	Allocation for 1985-86
1.	C.I.L.	851.50
2.	S.C.C.L.	72.00
3.	Others including S & T	5.00
Total :		928.50

The financial allotment for the 7th Five Year Plan has not been finalised so far.

The actual production during the Sixth Five Year Plan and the targetted production for the 7th Five Year Plan are as under :

Name of the Company	Production in 84-85 (terminal year of the Sixth Five Year Plan)	Production target for 1989-90
(in million tonnes)		
C.I.L.	130.84	186.00
S.C.C.L.	12.33	24.00
Others	4.26	6.00
Total :	147.43	216.00

Export of Rubber goods

1702. SHRI HARIHAR SOREN : Will the Minister of COMMERCE be pleased to state :

(a) the total cost of rubber goods exported to different countries in the last three years;

(b) whether Government have a proposal to increase the export of rubber during the current financial year;

(b) if so, the value of rubber proposed to be exported in the above years; and

(d) the steps taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) The export of rubber goods to different countries during the last three years is given below :—

(in million Rs.)

Year	Exports
1982-83	501.0
1983-84	608.0
1984-85	881.0

(b) and (c) Government proposes to increase the export of rubber goods during the current financial year. The value of exports will depend upon the demand in the international market.

(d) Steps taken to increase exports include assistance under the Natural Rubber Subsidy Scheme, Cash Compensatory Support, and import replenishment.

Proposal to bring two coal producing areas under control of a separate Subsidiary Company of C.I.L.

1703. SHRI HARIHAR SOREN :

SHRI RADHAKANTA DIGAL :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether a proposal has been submitted by the Government of Orissa to the Union Government to bring the two coal producing areas under the administrative control of a separate subsidiary company of Coal India Limited with headquarters in Orissa;

(b) if so, the steps taken for the implementation of the above proposal; and

(c) the other steps taken for systematic and expeditious development of coal resources of Orissa ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :
(a) to (c) There is, at present, no proposal from the Government of Orissa to bring the coal producing areas in Orissa under the control of a separate subsidiary company of Coal India Limited.

At present, Orissa Coalfields are under two coal companies viz., Central Coalfields Limited and Western Coalfields Limited. These two companies are, however, under the same holding company viz. Coal India Limited. The development of Talcher area and Ib Valley is in step with the development programme of CIL taking into account the various factors. While formulating the development plans of different coalfields, interest of various State and the industries therein is kept in view within the frame work of National interest. At present, the production from Orissa coalfields alone does not warrant formation of a separate coal company.

Loss made in GIC

1704. SHRI HARIHAR SOREN : Will the Minister of FINANCE be pleased to state :

(a) whether the General Insurance Corporation of India has made a huge loss in 1984-85;

(b) if so, the amount of loss made by GIC in the above year;

(c) the reasons of such huge loss; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. As per audited accounts for the year ended 31st December, 1984, the General Insurance Corporation of India has made a net profit of Rs. 12.89 crores.

(b) to (d) Do not arise in view of (a) above.

Trade Ties with Italy

1705. SHRI HARIHAR SOREN : Will the Minister of COMMERCE be pleased to state :

(a) whether steps have been taken by Government to establish trade ties with Italy;

(b) if so, for how many years trade agreements have been signed with Italy;

(c) what are the different goods presently exported to Italy; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) A trade agreement between the two countries was entered into in 1959.

The present trade relations between India and Italy, however are governed by the Indo-Italian Joint Committee on Economic Cooperation set up in 1976. The Joint Committee has met on six occasions.

(c) and (d) The bilateral trade between India and Italy is a continuous process. The items exported by us to Italy, inter alia, include leather and leather goods, textile items, coffee, iron ore and engineering items. The items imported by us from Italy include tele-communication equipment and parts, machine tools, chemical fertilizers and textile machinery.

Production of Raw Jute

1706. SHRI SATYAGOPAL MISRA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have estimated the production of raw jute in the country during the current year;

(b) if so, the details thereof;

(c) how much raw jute would be procured by the Jute Corporation of India;

(d) what would be the fate of the remaining raw jute;

(e) whether Government will ask the JCI to purchase all raw jute directly from the jute growers; and

(f) if not, why ?

THE MINISTER OF STATE IN THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :

(a) and (b) While it is too early to make an accurate estimate of the size of 1985-86 jute crop, the current estimates put it around 85 lakh bales.

(c) The JCI being primarily responsible for undertaking price support operation in the interest of jute growers, it undertakes to purchase the entire quantity of raw jute offered to it at minimum statutory price fixed by the Government. The plan of operation of JCI also provides for purchase of entire requirement of National Jute Manufactures Corporation and other State owned mills in the current year.

(d) The remaining raw jute are expected to be purchased by industry and trade.

(e) As a matter of policy, the entire purchases of JCI are made directly from growers.

(f) Does not arise.

[*Translation*]

Regional Banks in Bihar

1707. SHRI VIJOY KUMAR YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether Government have not been able to set up regional banks in 18 regions of Bihar so far;

(b) if so, the reasons therefor; and

(c) the time by which regional banks are likely to be set up in those regions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) At present 22 regional rural banks covering 37 out of the 38 districts of Bihar are in position. The only left out district is Dhanbad for which no proposal for setting up a regional rural bank has been received by the Government.

(b) and (c) Do not arise.

New Commercial agreement between India and USSR

1708. SHRI VIJOY KUMAR YADAV : Will the Minister of COMMERCE be pleased to state :

(a) whether India and the USSR have entered into any new trade agreement;

(b) if so, the contents thereof; and

(c) the benefit likely to accrue to Indian therefrom ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) Discussions are going for renewal of trade agreement with USSR for the period 1986-1990 and new

trade agreement will be signed on the conclusion of these negotiations.

[*English*]

Rehabilitation of displaced families due to setting up of Alumina Plant at Dhamanjodi

1709. SHRI GIRIDHAR GOMANGO . Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the total number of families displaced due to setting up of the alumina plant at Damanjodi in Orissa and rehabilitated so far by the authority thereof;

(b) the funds provided by the National Aluminium Company Ltd., (NALCO) to the implementing authority for compensation, rehabilitation and other related matters.

(c) whether the Rehabilitation Committee had suggested for increase of house building cost upto eight thousand rupees; and

(d) if so, the steps taken by the NALCO authority in this regard?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) 581 families are likely to be displaced due to the setting up of Alumina Plant in Damanjodi. So far 192 families have been displaced and out of them 77 have been provided pucca houses while the rest have been accommodated in transit sheds pending construction of pucca houses to accommodate them. An assurance has been given to provide employment to one able bodied person from each displaced family. So far direct employment has been given to 96 displaced persons and another 298 displaced persons are working with various contractors. In addition 44 persons are being imparted training with a view to eventual employment in NALCO against regular posts.

(b) NALCO has paid compensation of Rs. 1.57 crores, at the rate of Rs.3,000 per acre for land acquired for the project. They have also provided Rs. 5 lakhs to the Orissa Government for construction of houses for the displaced families. An ex-

gratia relief of Rs. 3.65 lakhs at the rate of Rs. 2,500 per displaced family, has been paid to 146 displaced families. Further, a sum of Rs. 60 lakhs is being spent to construct pucca houses for rehabilitation of displaced families.

(c) and (d) Yes, Sir. Against Rs. 8,400 proposed by the Rehabilitation Committee, the cost of each house presently being constructed by NALCO for the rehabilitation of displaced families is around Rs. 14,500/-.

Raids Conducted by Directorate of Revenue Intelligence

1710. SHRI AMARSINGH RATHAWA : Will the Minister of FINANCE be pleased to state :

(a) whether the raids were carried out by the Directorate of Revenue Intelligence during the month of June, 1985;

(b) if so, the number of raids conducted and the number of persons arrested;

(c) the total value of seizures during the raid; and

(d) the other methods being adopted to unearth black money ?

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

(b) 134 premises were searched and 35 persons were arrested.

(c) Goods worth Rs. 4.40 crores approximately were seized and incriminating documents seized showing illegal transactions in foreign exchange involving huge sums of money.

(d) All administrative, legal and institutional measures are taken to unearth black money.

Installation of captive Generators in Tex tile Mills under NTC

1711. SHRI BASUDEB ACHARIA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether all the nationalised and managed textile mills under NTC (WBABO) have captive generators;

(b) if not, the names of those mills not having captive generators;

(c) is there any proposal to instal generators there;

(d) if so, when and the details thereof;

(e) the power requirements and installed capacity of captive generators of NTC mills in Eastern region; and

(f) the steps so far taken by Government to make available the power requirements of these mills to improve their performance ?

THE MINISTER OF STATE OF THE
MINISTRY OF SUPPLY AND TEXTILES

(SHRI CHANDRASHEKHAR SINGH) :

(a) Out of 18 nationalised and one managed textile mill under NTC (WBABO), 16 nationalised mills and the managed mill are having captive generators.

(b) The following two nationalised mills are not having captive generators :

(i) Associated Industries, Assam.
(ii) Orissa Cotton Mills, Cuttack.

(c) and (d) The proposal to instal captive generating capacity in Associated Industries (Assam) has been approved by the NTC (Holding Company). The proposal for sanction of diesel generating sets for Orissa Cotton Mills is under consideration of the NTC (Holding Company).

(e) and (f) A statement showing the power requirements and installed capacity of captive generators in each case is given below.

Statement

S. No.	Name of the mill	Maximum demand (KVA) on installed capacity	Installed captive capacity (KVA)
1.	Arati Cotton Mills	1237	800
2.	Central Cotton Mills	3606	1290
3.	Bengal Fine No. 1	1589	800
4.	Shree Mahalaxmi Mills	1798	1000
5.	Rampooria Cotton Mills	3716	1250
6.	Sodepore Cotton Mills	700	600
7.	Bengal Textile Mills	986	860
8.	Kanoria Industries	675	360
9.	Banasri Cotton Mills	1918	800
10.	Laxminarayan Cotton Mill	1690	790
11.	Bengal Luxmi Cotton Mills	3480	1360
12.	Manindra Mills	522	400
13.	Jyoti Weaving Factory	500	200
14.	Bengal Fine No. 2	752	500

(1)	(2)	(3)	(4)
15.	Associated Industries	1044	—
16.	Bihar Co-operative	882	500
17.	Gaya Cotton & Jute Mills	2700	500
18.	Orissa Cotton Mills	1000	—
		—	—
		28795	12010
19.	Mohini Mills (Managed)	3028	500
		—	—
	Grand Total :	31823	12510
		—	—

Report of K.S.R. Chari on B.G.M.L.

1712 SHRI NARSINGRAO SURYAVANSI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Report of K.S.R. Chari on Bharat Gold Mines Limited by now; and

(b) if so, the comments and highlights thereof ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) No, Sir.

(b) Does not arise.

Staff Training Center of Banks

1713. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) the number of staff training centres of banks that have been established in the country;

(b) the location of such training centres;

(c) whether any analysis of cost in a training centre is made and cost per lecture is worked out;

(d) if so, the details thereof; and

(e) the steps proposed to be taken to reduce the cost to a considerable extent ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e) information is being collected and will be laid on the Table of the House, to the extent available.

Setting up of Project Export Cell :

1714. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to set up a project export cell;

(b) if so; when such proposal is going to be implemented;

(c) what would be the main functions of the project export cell; and

(d) what other steps are proposed to be taken by Government to step up export earnings ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) There is already a Project Export Cell called the Overseas Projects Cell which handles all aspects pertaining to expansion and diversification of project exports.

Loans From USSR

1716. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

- (a) whether Government have sought loans from the USSR;
- (b) if so, for what purpose; and
- (c) the amount of loan assistance likely to be obtained from the USSR in the current financial year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) During the current financial year, an Agreement has been signed between the Government of India and the Government of the USSR on 22nd May, 1985, under which the USSR have extended a Credit to the Government of India in the amount of Roubles 1000 million (approximately Rs 1,100 crores) for financing Soviet goods and services required for the following projects :—

1. Construction of the Kahalgaon Thermal Power Plant of capacity of 840 MW.
2. The intensive and integrated exploration of hydrocarbons in two areas in two on-shore basins, which may be mutually agreed upon, with the help of Soviet equipment and specialists.

3. Construction of :

- (a) Open cast mine of a capacity of 10 million tons per annum of coal in Block 5 of the Jharia Coalfield with washeries;
- (b) Mohor open cast mine of about 10 million tons per annum capacity and Khadia open cast mine of a total capacity of upto 10 million tons per annum of which capacity 4 million tons per annum will be in the first stage, of power grade coal, in the Singrauli Coalfield, and
- (c) Sitanala underground colliery with a capacity of 2.5 million tons of coking coal per annum in the Jharia Coalfield with washeries.

4. Establishment of :

- (a) An Institute for designing of coal beneficiation plants, and
- (b) A division of the Institute for detailed designing of coal projects in the Central Mine Planning and Design Institute Limited.

5. Modernisation of Patherdih Wasery; and

6. Introduction of new technology, modernisation and reconstruction in the field of ferrous metallurgy and machine building at the projects of cooperation as may be mutually agreed upon.

The Agreement also provides that alterations may be made in the above list of project by mutual agreement between the two Parties.

Frauds and Robberies in Banks

1716. SHRI MOOLCHAND DAGA :
SHRI VISHNU MODI :

Will the Minister of FINANCE be pleased to state :

- (a) number of frauds in the banks for the last three years;
- (b) number of robberies during the same period;
- (c) amount involved in both the above cases separately;
- (d) amount recovered so far;
- (e) in how many cases the members of the staff were involved;
- (f) amount written off during this period in this respect; and
- (g) what action has been taken in the above and with what results ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) The information regarding the cases of frauds and also the amount involved as reported

by 28 public sector banks to the Reserve Bank of India during the years 1982, 1983 and 1984 is as follows :

Year	No. of cases	Amount involved (Rs. in crores)
1982	2065	19.44
1983	2360	29.62
1984	2410	38.39

Information relating to the amount recovered is not readily available. However, this is an on-going process as banks file civil and criminal suits to seek appropriate reliefs. Moreover, the amount involved in frauds does not necessarily represent the amount of loss to the banks since banks will have securities with them to cover the amounts.

As per available data, information regarding number of bank dacoities/robberies that occurred during the years 1982, 1983 and 1984, the amount involved therein and the amount recovered is as follows :

Year	Total No. of dacoities/ robberies	Amount involved (Rs. in lakhs)	Amount recovered (Rs. in lakhs)
1982	77	140.48 (approx) + gold valued at Rs. 16.36 lakhs (approx)	40.04 (approx) + gold/ gold ornaments weighing 3.6 Kg. (approx)
1983	100	126.79 (approx) + gold value at Rs. 43.04 lakhs (approx) + gold/ gold ornaments weighing 149.25 gm. (approx)	38.40 (approx) + gold worth Rs. 6 lakhs (approx)
1984	96	Rs. 153.60 lakhs (approx) + gold/gold ornaments worth Rs. 11 lakhs + 4 parcels.	47.24 (approx) and one parcel.

(e) and (g) The information regarding the number of cases of frauds in which members of staff were involved is not readily available. However, the Reserve Bank of India has reported that as per information readily available, the number of officials awarded punishment including conviction for their involvement in fraud cases during the years 1982, 1983 and 1984 (upto 30.6.84) was 528,609 and 338 respectively. As on 30.6.84, the number of employees against whom prosecutions and departmental enquiries were pending were 473 and 1283 respectively.

(f) According to the forms of balance sheet and profit and loss account prescribed under Banking Regulation Act, 1949 banks are given statutory protection against disclosure of the quantum of particulars of bad and doubtful debts for which provision has been made to the satisfaction of their auditors. In view of this, information in this regard cannot be divulged.

Planning Commission urged to enhance Seventh Plan allocation for development of Coal and Lignite

1717. SHRI LAKSHMAN MALLICK :
Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that his Ministry has urged the Planning Commission to enhance the Seventh Five Year Plan allocation for development of coal and lignite; and

(b) if so, the recommendations of the Working Group which was appointed to study the progress and recommend and suggest the ways in this regard ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) The Working Group on Coal and Lignite for the 7th Five Year Plan had recommended an outlay of Rs. 14419.4 crores for Coal and Lignite sectors. No final decision on the 7th Five Year Plan outlay has been taken so far. The matter is under examination in consultation with the Planning Commission and the Ministry of Finance.

Share of Loan to Agricultural Sector

1718. SHRI LAKSHMAN MALLICK :
Will the Minister of FINANCE be pleased to state :

(a) whether Government proposed to enhance the share of loan to agricultural sector;

(b) if so, the details thereof; and

(c) the steps Government have considered to ensure timely and adequate supply of credit for farm operations especially to meet the requirements of small and marginal farmers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) As at the end of March, 1985 the outstanding direct agricultural advances of the public sector banks stood at 14.2% of the net bank credit. Banks have been advised to ensure that this percentage reaches a level of 16% by March, 1987.

(c) A large number of branches of commercial banks and regional rural banks have been opened in rural areas. Banks have also been advised to delegate adequate discretionary powers to branch managers to sanction proposals from weaker sections without reference to higher authorities. Other major steps taken by the Govt. to enable the small borrowers to avail of bank credit are simplification of loan application forms and relaxation of security norms and margin requirements.

Import of Small Coins From Foreign Countries

1719. SHRI NARAYAN CHOUBEY :

SHRI KAMAL NATH :

SHRI AMAR ROYPRADHAN :

SHRI RANJIT SINGH GAEKWAD :

SHRI YASHWANTRAO GADAKH PATIL :

SHRI SARFARAZ AHMED :

SHRI JITENDRA PRASADA :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to import small coins from foreign country;

(b) if so, whether orders have been placed for the same;

(c) the number of coins of each denomination with value to be imported and from which country/countries;

(d) the average number of coin needed for our country; and

(e) the production capacity of our Mints is the number of small coin actually produced by our Mints in the year 1982, 1983 and 1984 ?

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

(c) The information is given below :

Denomina- tion	Number in Million Pieces	Favour- able Va- lue in Rupees	Name of the Mint/ firm and Country.
Re. 1/-	500	50 crores	M/s Bir- mingham Mint Pro- ducts Ltd., U.K.
-do-	-do-	-do-	M/s Royal Mint, U.K.
50 P.	750	37.5 crores	M/s Hyu- ndai Cor- poration, South Korea.
25 P.	250	6.25 crores	M/s Roy- al Cana- dian Mint, Canada.

(d) According to a forecast made by the Reserve Bank of India regarding estimated requirement of coins for the period

from 1983-84 to 1992-93, average number of coins needed for the country per year comes to 2770 million pieces (all coins).

(e) The production capacity of all the 3 Mints indicated for 1985-86 on the basis of 54 hours per shift per week and two shifts per day is 2 000 million pieces. The production of coins (all coins) during the last 3 financial years has been as follows :

Year	Production in million pieces
1982-83	660.00
1983-84	1063.19
1984-85	1355.69

Surrender of Central aid by Bihar Government in Last Five Years

1720. SHRI VIJOY KUMAR YADAV : Will the Minister of FINANCE be pleased to state :

(a) the amount returned by Bihar Government to the Centre during the last Five years, year-wise which could not be utilised by the State Government till the end of each financial year enumerating the items thereof;

(b) whether return of money has adversely effected the progress of the State in different spheres; and

(c) if so, the reaction of Government to evolve effective machinery for stopping it ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) A Statement showing normal Central assistance allocated in the last five years and assistance actually released is given below.

(b) The amount surrendered by the State is too small to have any serious adverse effect on the developmental effort of the State.

(c) Does not arise.

Statement

Statement showing the normal Central assistance allocated and actually released during the last five years.

(Rs. in crores)

Year	Central assistance allocated	Central assistance actually released
1980-81	239.62	239.35
1981-82	241.89*	240.96
1982-83	267.27	266.96
1983-84	302.76	302.76
1984-85	350.13	350.13

Sugar Sold by Cooperative Sugar Mills Without Payment of Duty

1721. SHRI S.M. GURADDI : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of cooperative sugar mills have been selling sugar illegally without paying excise duty ;

(b) if so, whether Government propose to institute an enquiry into the corrupt practices by sugar cooperative in Maharashtra ; and

(c) if so, the details of the proposed enquiry.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) to (c) The report of a study by the National Institute of Public Finance and Policy on "Aspects of the Back Economy in India" has referred to the evasion of excise duty by sugar mills. Presumably, the question relates to evasion of central excise duty by the cooperative sugar mills on the State of Maharashtra. There is no information about clearance of sugar without

*After adjusting advance Plan assistance of Rs. 3.01 crores.

payment of central excise duty by these mills. In view of this, the question of instituting any enquiry does not arise.

Support Price of Jute

1722. SHRI SATYAGOPAL MISRA : Will the Minister of SUPPLY AND TEXTILES be pleased to state.

(a) whether the Jute Corporation of India have fixed support price of jute this year to purchase and procure jute from the producers ;

(b) if so, the details thereof ; and

(c) if not, reasons therefor ?

THE MINISTER OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) (a) Statutory minimum price for raw jute and mesta for the jute season 1985-86 (July-June) have already been fixed by the Govt. of India for up-country and Calcutta markets. JCI has been made responsible to procure the entire quantity of raw jute/mesta offered to it at minimum statutory price fixed by the Govt.

(b) The minimum statutory price for W-5 grade of raw jute for 1985-86 season in Assam has been fixed at Rs. 215/- per quintal. Prices for other varieties and grades have been fixed keeping in view the normal market differential.

(c) Does not arise.

Target for Production of Tea

1723. SHRIMATI JAYANTI PATAIK : Will the Minister of COMMERCE be pleased to state :

(a) the target set for the production of tea by the end of the Seventh Plan ;

(b) the total amount of investment proposed to be made in the development of tea plantation in the country in the above plan period ; and

(c) the measures proposed to be taken to increase tea production to reach the target in that plan period ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) Draft Seventh Plan in respect of tea industry provides for production target of 760 M. Kgs. by the end of the Plan period. Total investment requirement is envisaged at Rs. 900 crores. Higher production is proposed to be achieved, through short, medium and long term measures which include, new planting, replanting, rejuvenation, improved drainage and irrigation facilities and improved cultural operations.

Import-Export Position

1724. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of COMMERCE be pleased to state :

(a) the import and export position of the last three years, year-wise ; and

(b) the steps taken to boost the country's export in the Seventh Plan period ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) (a) The import and export position for the last three years is as follows :

(Value Rs. crores)

Year	Exports	Imports
1982-83	8907.75	14355.76
1983-84	9872.10	15762.95
1984.85*	11395.98	16591.86

(b) Policy measures are being continuously evolved for increasing India's exports. These include measures for increasing and diversifying production, making our exports more competitive, finding new markets for our products and processing commodities for higher value realisation. Different instruments of Policy available to Governments are being utilised for this purpose and adjusted when necessary. The Import & Export Policy announced

*Provisional, updated upto April 1985.

recently in April, 1985 for a period of 3 years from April 1985 to March 1988 has been formulated to give a major thrust to exports as well as encourage efficient import substitution. Steps are also being taken to intensify export promotion activities and commercial publicity in the important markets like USA, France etc., to increase exports of traditional as well as non-traditional products.

Import of Agri-Raw Material

1725. DR. G VIJAYA RAMA RAO : Will the Minister of COMMERCE be pleased to state whether Government propose to review its policies on imports of all agri-raw material (from produce) such as oilseeds, silk, sugar, rubber etc. and ensure self-sufficiency, since 75 per cent of India's population is engaged in agri production ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : The import policy of the Government is under constant review keeping in view the interests of both Consumers and producers.

Cases Booked Against Customs Officers by C.B.I.

1726. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to State :

(a) the number of cases booked against customs officials by the C.B.I. since January 1985; and

(b) whether the statements of assets of the customs officers are obtained regularly ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Collectors of Customs, Bombay, Madras, Calcutta, Cochin and Delhi have reported that four cases have been booked against Customs Officials by C.B.I. since January, 1985.

(b) Group 'A' and 'B' officers are required to submit Immovable property returns annually in accordance with the

provisions in the C.C.S. (Conduct) Rules, applicable to Central Government employees.

Anti-Pollution Machines for NTC Mills

SHRI RAMSWAROOP RAM : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have purchased 'anti-pollution' machines for National Textiles Corporation mills ;

(b) the amount involved in this deal ;

(c) whether these machines are not being utilised :

(d) if so, the reasons for purchasing those machines and the persons or officers involved in this deal ; and

(e) whether Government have any proposal to constitute an enquiry in this affairs ;

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) and (b) No, Sir. However, NTC (WBAB&O) Ltd., Calcutta had purchased 3600 such devices at a cost of Rs. 91.18 lakhs.

(c) Out of 3600 units, 609 units have been installed in the mills under the National Textile Corporation (WBABO) Ltd. Remaining machines are not being utilised.

(d) The purchases were made with the approval of Board of Directors of NTC (WBAB&O) for dealing with atmospheric pollution.

(e) NTC holding Company has been asked to take appropriate action.

Internal and External Debts for the Country

1729. DR. G. VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state the total internal and external

debts for the country as on 1st April, 1985 indicating the yearwise payments, to be made alongwith the interest charges for the next five years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) Information is given in the statement below.

Statement

(a) INTERNAL DEBT

Internal debt outstanding as on 1.4.1985 was Rs. 58594 crores (Revised Estimates). Internal debt of Central Government comprises market loans, treasury bills, compensation and other bonds and special securities issued to Reserve Bank of India and International Financial Institutions. Treasury Bills are discharged/renewed at the end of 91 days. Securities issued to the International Financial Institutions are repayable on demand which cannot be forecast. The estimates of yearwise repayments of market loans and other internal debt which have got a repayment schedule together with interest charges payable during the next five years are as under :-

(Rs. in crores)

Year	Repayments	Interest payments
1985-86	844	2317
1986-87	1046	2285
1987-88	1080	2243
1988-89	695	2231
1989-90	796	2202

(b) EXTERNAL DEBT

The estimated total foreign indebtedness of the country as on 1.4.1985 works out to Rs. 24004 crores in respect of Government loans, Rs. 758 crores in respect of non-government loans. Further approvals of External commercial borrowings and suppliers credit from 1980-81 to 1984-85 amounting to Rs. 7259 crores have also been given. However, the external debt

on this account will be spread over a number of years in future as and when the loans are actually drawn/utilised.

In addition India has outstanding repurchase obligations of Rs. 4887 crores on drawings made under the facilities of the I.M.F.

The present estimates of India's debt repayments liability and interest payments of IMF and non IMF loans is as follows.

(Rs. in crores)

Year	Repayments	Interest payments
1985-86	1438	1405
1986-87	1987	1469
1987-88	2355	1483
1988-89	2596	1449
1989-90	2610	1181

Computerisation of income Tax Department

1730. DR. G. VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether it is proposed to computerise Income-tax Department as reported in the 'Economic Times' on 4th July, 1985, if so, the full details thereof;

(b) the steps contemplated to ensure that computerisation will not lead to increase in the work and inefficiecy; and

(c) whether Government propose to go in for gradual computerisation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : A micro computer is already in use in Delhi for allotting permanent account numbers and for various other purposes. At present a proposal is under consideration for installing a mini computer for the following areas in each of the four metropolitan cities namely, Bombay, Calcutta, Delhi and Madras :

(i) Monitoring accuracy in manual

calculation of taxes in high revenue yielding cases;

- (ii) Quarterly review of Central Action Plan of the Department;
- (iii) Computation of key area performance statistics;
- (iv) Processing of challans received in the Central Treasury Unit of Commissioner Charges;
- (v) Allotment of Permanent Account Number (PAN);
- (vi) Processing of applications for terms and conditions of service contract outside India u/s 80RRA of the Income-tax Act.
- (vii) Pay roll and related application;
- (viii) Tax Deducted at source.

(b) The object of introducing computerisation is to improve the administrative efficiency, to ensure speed and accuracy in the processing of data and to relieve the staff from repetitive and monotonous nature of jobs. Hence, the question of increase in the work and inefficiency does not arise.

(c) Yes, Sir.

NTC Subsidiary Office in Patna, Bihar

1731. DR. G. S. RAJHANS : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether there is a proposal under the consideration of Government to set up a National Textile Corporation subsidiary office in Patna, Bihar;

(b) if so, whether some of the private spinning and jute mills in Bihar State which have been declared sick are also likely to be amalgamated in the National Textile Corporation;

(c) if so, the details of the sick spinning and jute mills which are under consideration of Government to take up; and

(d) the extent to which the NTC will

boost the production of their products by modernising the sick units of the State?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :

(a) No, Sir.

(b) to (d) Do not arise.

Robbery in Panchsheel enclave branch of new Bank of India

1732. DR. G. S. RAJHANS :

SHRI M.V. CHANDRA-SEKHARA MURTHY :

SHRI HARISH RAWAT :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that Rs. 3 lakhs have been looted from the New Bank of India branch located at Panchsheel Enclave, New Delhi in a day broadlight on 10 July, 1985;

(b) whether any clue has been found in this regard;

(c) whether it is a fact that in several branches of the nationalised banks, the strict security measures still do not prevail; and

(d) further action contemplated by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. A sum of Rs. 3,01,560 was looted.

(b) No, Sir.

(c) and (d) The Government have issued guidelines to all public sector banks to tighten security measures within their premises. The Report of High Power working Group which was set up by the Government to consider strengthening of internal security arrangements in banks had also been forwarded to the banks for implementing the recommendations contained therein. The banks are implementing, in a phased manner, the various security measures recommended by the Working Group.

The security measures are being increasingly improved to secure maximum safety of cash and valuables taking into account cost benefit factor.

[*Translation*]

Opening of new bank accounts in Patna

1733. SHRI SARFARAZ AHMAD : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news-item appearing in the daily 'Jan satta' dated the 8th June, 1985 under the caption 'Patna mein naye khate nahin khul rahe' (new bank accounts are not being opened in Patna);

(b) if so, the steps taken by Government to remove the difficulties being faced by the customers in this regard; and

(c) the reasons for which new bank accounts are not being opened ?

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

(b) and (c) Reserve Bank of India has reported that the banks in Patna are regularly opening new accounts. However, specific complaints brought to the notice of the Reserve Bank of India or the Government can be looked into for remedial action.

[*English*]

Implementation of new Chapter of III C incorporated in RBI Act 1934

1734. SHRI VIJAY KUMAR MISHRA : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 5176 on the 3rd May, 1985 regarding legislation to control and regulate functioning of Private financial institutions and state :

(a) whether Government have taken any steps towards implementation of the new Chapter III C incorporated in the R.B.I. Act, 1934 through the enactment of Banking Laws (Amendment) Act, 1983;

(b) if so, the total number of unincorporated bodies and their names, which have violated the R.B.I. directive in this regard; and

(c) details of the penal action taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The provisions of Chapter III C, incorporated in the Reserve Bank of India Act, 1934 through the Banking Laws (Amendment) Act, 1983 have been brought into force with effect from February 15, 1984.

The Reserve Bank of India had, in February, 1984, advise all the State Governments/Union Territories to create necessary enforcement machinery in the respective States/Union Territories with a view to investigating into violations of the provisions of Section 45-S of the Reserve Bank of India Act, 1934. So far, the State Governments of Andhra Pradesh, Madhya Pradesh and West Bengal have reportedly created the enforcement machinery. The matter is being vigorously pursued by the Reserve Bank with other State Governments.

Provisions of Chapter III C of the RBI Act are prohibitive in nature and do not envisage collection of data regarding unincorporated bodies. Besides, the provisions are to be enforced in a decentralised manner by the State/Union Territories Governments in addition to the Reserve Bank.

Decrease in export of the items from Kerala

1736. SHRI T. BASHEER : Will the Minister of COMMERCE be pleased to state :

(a) whether there was a substantial decreased in the exports of various items from Kerala during last year;

(b) if so, the details in this regard; and

(c) the reasons for this decrease of export from Kerala ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c) State-wise export statistics are not compiled.

Legislation to Empower Government to collect assessed Duties

1737. SHRI AJOY BISWAS : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to bring a legislation to empower Government to collect assessed duties which default companies very often hold up with themselves interest free while excise claims lie in disputes in court; and

(b) if so, the number of such cases pending with the courts and the amount held up ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) among the proposals before the Government to ensure that revenue does not get blocked in Court cases is a proposal to make it an offence under law to collect duties from the public and hold on to the amount, without depositing it in Government account.

(b) About 7000 cases relating to Control Excise duties are pending in various Courts. Most of these relate to issues having a bearing on the rate of duty, valuation and excisability of the products. Quantification of revenue involved in individual cases is possible, only after Court decisions are available.

[Translation]

New Khadi Policy

1738. SHRI MOOL CHAND DABA : Will the Minister of SUPPLIES AND TEXTILES be pleased to state :

(a) whether a new Khadi policy is being adopted alongwith the new textile policy and if so, the details thereof and if not, the reasons therefor; and

(b) the new features included or proposed to be included in the policy for Khadi keeping in view the important

place given to Khadi in matter of lifting lakhs of people above the poverty line during the Seventh Five Year Plan ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) and (b) The Textile policy statement emphasizes the importance of Khadi programme in view of its employment and income generating potential in the rural areas especially among women. It has also called for continuation of the efforts to improve the production process, upgradation of the skill of the workers, raising of productivity, diversification of the product range and strengthening of marketing arrangement. These form the essential features of the present programme of development of the Khadi sector.

English]

Protest over export of Frogs/Frog Legs/Frogskins

1739. SHRI MOOL CHAND DABA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that our country is exporting frog/frog legs/frogskins and if so, the details of the countries exported to, weight/number and price etc., during the last two years giving separate information in each case;

(b) whether there have been protests from religious bodies in the country in this respect and dealt with; and

(c) whether the shortage of frogs etc., has effected the environment in the country and helped to spread malaria and other diseases;

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) No protests from religious bodies have been received in the recent past. Neither there are any reliable reports regarding shortage of frogs.

Live frogs/frogskins are not exported on a commercial basis. However, export of frog legs is permitted subject to strict regulations relating to catching and pro-

cessing of frogs and ceiling on total exports in order to prevent indiscriminate catching which might affect the frog popu-

lation.

A statement giving details of Frog legs exports is given below.

Statement

Export details of Froglegs from India
Quantity (Qty.) in Tonnes
Value in Rs. Lakhs

Country to which exported	Year 1983-84		Year 1984-85	
	Qty.	Value	Qty.	Value
Algeria	31	8.80	—	—
Belgium	158	48.96	565	174.36
Canada	13	2.15	—	—
Federal Republic of Germany	4	0.96	9	2.35
France	403	129.66	303	68.87
Italy	38	11.01	78	14.22
Japan	244	40.01	16	5.15
Mexico	1	0.26	23	6.63
Netherlands	656	179.74	628	174.49
Oman	—	—	13	3.56
Saudi Arabia	13	1.16	—	—
U.A.E.	72	6.56	—	—
U.S.A.	722	192.85	1031	292.00
United Kingdom	173	46.24	112	35.86
Total :	2528	668.36	2778	777.49

[Translation]

Fulfilment of expectation of nationalisation of coal mines

1740. SHRI MOOLCHAND DAGA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that the expectations of bringing about improvements in the situation from nationalisation of coal mines

has not been fulfilled and whether the efforts are now being made for effecting modifications;

(b) if so, the reasons therefor,

(c) the amount invested in coal business by Government and the year-wise losses incurred during the last three years; and

(d) the number of collieries under the

control of Union Government, State Corporations and multinationals separately?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) No, Sir.

(b) Does not arise.

(c) Investment (loan + equity) by the Central Government as on 31.3.1985 in Coal India Limited and Singareni Collieries Company Limited was Rs. 4832.17 crores and Rs. 335.90 crores respectively excluding repayments during 1984-85.

Profit earned/losses suffered by Coal India Limited and Singareni Collieries Limited during the last three years are as under :—

(+) = Profit
(-) = Loss

Year	Profit earned/ losses suffered by CIL	SCCL	(Rs. in crores)
1982-83	(+) 37.45*	(-) 14.37	
1983-84	(-) 242.68	(-) 49.94	
1984-85	(+) 13.83 (provisional)	(-) 45.08 (provisional)	

(d) At present 421 collieries are under Coal India Limited and its subsidiaries. 58 collieries are under Singareni Collieries Company Limited, 6 coal mines are under Tata Iron and Steel Company, 3 coal mines are under Indian Iron and Steel Company and one coal mine is under Damodar Valley Corporation.

[*English*]

Ceiling Price of Jute

1741. SHRI INDRAJIT GUPTA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that Government have fixed ceiling price this year for jute instead of floor price last year;

(b) if so, the details and reasons thereof;

(c) whether Government are aware that the Jute Corporation of India and the agricultural marketing societies were conspicuously absent in the markets of North Bengal districts in the beginning of jute season and the prices of raw jute had slumped a considerably lower level; and

(d) if so, the details and what steps are taken by the Government to help the growers?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) No, Sir. The ceiling price for raw jute was fixed for a brief period till 15.7.1985. The Government has also announced the minimum statutory price of jute/mesta for the current jute season 1985-86.

(b) Does not arise.

(c) and (d) The Jute Corporation of India is responsible for undertaking price support operation. However, the market price of raw jute in various upcountry markets is still ruling well above the minimum statutory price fixed by the Government. Therefore, Jute Corporation of India had no occasion to commerce purchases as yet.

Government Planning for 'Bulldog' Issue at 1.25 Per Cent

1742. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Government are planning for 'Bulldog' issue at 1.25% above the gross redemption yield of treasury stock for 20 to 25 years;

(b) whether Government have any such plan to attract pension funds, provident funds, ESI funds, State Insurance funds, CDS funds, funds of insurance companies and banks from this country at the same rate of yield; and

(c) if not, the reasons for the same in details?

*Without retention price adjustment.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Bulldog issue is an instrument for borrowing in foreign exchange and more specifically pound sterling at fixed interest rates by overseas borrowers in London capital market. Government of India have not so far entered the market for such an issue.

(b) and (c) As the Bulldog bonds are pound-sterling denominated and intended to meet foreign exchange requirements, these cannot be subscribed to by institutions like Provident Funds insurance companies, banks, etc. The investible rupee resources are already being tapped to the extent feasible for financing the public sector plan.

Small Coins Output

1743. SHRI AMAL DATTA :
SHRI B.N. REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether the accelerated of growth of small coins output of 61 per cent in 1983-84 was maintained in 1984-85;

(b) if so, the extent to which it met the shortage of small coins; and

(c) if not, the compulsions for Government to cut down coin output in 1984-85 and to what extent ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Production figures of all coins for the last 3 years are given below

Year	Production of all coins (in Million pieces)
1982-83	660.00
1983-84	1063.19
1984-85	1355.69

The percentage increase in 1983-84 over the previous year i.e. 1982-83 was

61% and in 1984-85 it was 27.51% over the year 1983-84. The higher rate of production in 1983-84 was possible on account of several steps taken by Government such as introduction of incentive scheme, increase in the working hours etc. Due to capacity limitations in the 3 existing Mints at Bomby, Calcutta and Hyderabad, it was not possible to achieve the same percentage increase in 1984-85.

(b) The R.B.I. indent for the year 1984-85 was 2,250 million price (all coins) whereas the production of coins in the same year was 1,355.69 Million pieces (all coins).

(c) As there has been actually an increase in production, question of having cut down the output in 1984-85 does not arise.

Upward Revision of Basic Aluminium Prices

1744. SHRI AMAL DATTA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have decided for upward revision of basic aluminium prices compensate the industry for cost escalation;

(b) if so, the details of the said revision of prices;

(c) whether the decision to escalate prices of aluminium goods is likely to adversely affect the people of lower strata of the society as aluminium goods are used mostly by them; and

(d) if not, the details thereof ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :
(a) No, Sir.

(b), (c) and (d) Do not arise.

News Item Captioned "Railway Bond Issue Under Scrutiny"

1745. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state ;

(a) whether the attention of Government has been drawn to the news item captioned "Railway bond issue under scrutiny appeared in the Economic Times" (New Delhi Edition) on 29th May, 1985;

(b) if so, whether the report that the issue of public bonds is under consideration of his Ministry; and

(c) if so, whether his Ministry has taken any final decision in the matter?

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

(b) and (c) Railway Ministry has already been informed that this is not a feasible proposition.

Seizure of Gold Biscuits in an Airconditioner by Customs Officials in Delhi

1746. PROF. MADHU DANDAVATE :
SHRI BALASAHEB VIKHE PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the customs officials in Delhi seized on 23rd May, 1985, 195 gold biscuits valued round Rs. 50 lakhs concealed in an airconditioner, that arrived as a part diplomatic cargo;

(b) whether again on 28 May, 1985, the customs officials at the Gurgaon Road clearing godown seized 221 gold biscuits valued at Rs. 60 lakhs from specially made cavities fitted into the air-conditioners imported from Kuwait;

(c) whether investigations into these smuggling of gold have been made; and

(d) if so, the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) On 23rd May, 1985, the Customs authorities at Delhi airport recovered and seized 195 foreign market gold bars of 10 tolas each totally

weighing about 22.62 Kgm. valued at about Rs. 50 lakhs from one of the two air-conditioners addressed to the home-based non-diplomat of the Afghan Embassy.

(b) On 29th May, 1985, the Customs authorities at Delhi Airport examined a consignment of 10 air-conditioners which had arrived on 24th May, 1985 from Kuwait addressed to the Afghan Embassy. On examination, 221 gold biscuits of foreign origin, totally weighing, 25.76 Kgs. valued at Rs. 55.68 lakhs, were recovered from three air-conditioners and seized.

(c) and (d) Yes, Sir. In this connection, one Shri Vishwanath Khanna, resident of Greater Kailash, New Delhi, who was found to be the brain behind the gold smuggling in these cases, was arrested on 25th May, 1985. Appropriate action, as warranted under law, would be taken against all the persons found involved in these cases.

Loss to MMTC Due to Poor Loading at Vishakhapatnam

1747. SHRI Y. S. MAHAJAN : Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation has incurred huge losses to the tune of US \$1.5 lakh by way of demurrages to waiting Japanese vessels due to poor iron ore and low rate of ore loading at Vishakhapatnam port ; and

(b) if so, what steps Government have taken or propose to take to avoid such losses ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) Minerals and Metals Trading Corporation has incurred losses to tune of US \$ 8.89 lakhs in the first three months of the financial year 1985-86 by way of demurrages to waiting vessels, primarily due to low rate of ore loading at Vishakhapatnam Port. Government has taken several steps to set right the ore handling system which is primarily responsible for low rate of ore loading. In addition MMTC has

advanced Rs. 3 crores to Vizag Port recently for purchase of essential spare parts. MMTC has also financed, in consultation with the Vizag Port Trust, a crash study for indentifying meak spots in the ore handling system at the Vizag Port.

Increase in Private Transfer of Payments by Indian Employees Abroad

1748. SHRI Y.S. MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether private transfer of payments including a major chunk of remittances from Indian labourers employed in foreign countries has been on the increase during the preceding three years ;

(b) the loss to the exchequer in terms of foreign exchange earnings on account of these unlawful transactions ; and

(c) the steps Government propose to curb these unlawful and illegal transactions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) No authoritative estimates are available of the remittances from abroad, including those from Indians employed abroad, coming into the country through unlawful channels.

(c) The Enforcement Directorate (Foreign Exchange Regulation Act) remains vigilant in this regard and takes appropriate action as and when such transactions come to its notice. Besides, various steps already taken to attract flow of funds to India, through the authorised dealers, are also reviewed from time to time and appropriate action to revise them is taken as and when considered necessary.

Export of 240 Metres Million of Cotton Fabrics to USSR

1749. SHRI V. S. MAHAJAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have agreed

to export 259 million metres of cotton fabrics to the USSR during the years 1986 to 1990 ;

(b) the terms and conditions of the exports agreement and how the Payments are to be made by the Soviet Union ;

(c) the arrangements Government have made or propose to make to execute this huge order ;

(c) whether NTC mills have been asked to arrange for supply of the cotton fabrics to USSR ;

(d) if so, whether the NTC mills will be able to arrange for export of the cotton fabrics on the basis of existing capacity and machinery ; and

(f) if not, what steps Government/ NTC propose to take to arrange for manufacture and supply of colton fabrics of required specification to the USSR and what will be the financial effect of such arrangements on the working and performance of NTC mills ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH)
(a) to (c) The Government have initiated negotiations to finalise the trade agreement with USSR for the year from 1986 to 1990.

(d) The National Textile Corporation exported 39 million metres of cloth to USSR in 1984. During 1985, NTC has procured orders for 47.7 million metres of cloth for export to USSR up to September, 1985.

(c) and (f) NTC will be able to supply the contracted quantity during 1985 on the basis of the existing capacities.

[Translation]

Scheme for Development of Tea in U.P.

1750. SHRI HARISH RAWAT : Will the mihiister of COMMERCE be pleased to state :

(a) whether any specific scheme for the development of tea plantation in

Uttar Pradesh during the Seventh Five Year Plan is under the consideration of his Ministry ;

(b) if so, the details thereof ;

(c) if not, the steps being taken to develop the undeveloped and neglected tea plantation in Uttar Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) (a) to (c) The Tea Board has been exploring possibilities of reviving existing tea estates and opening of new tea plantations in Hill areas of Uttar Pradesh. However, there is a problem of availability of suitable land from State Government as new plantations will involve felling of forest trees. A complex of CSIR has been set up at Palampur (Himachal Pradesh) to look into Research and Development needs of tea plantations in U. P. and Himachal Pradesh. The tea growers can also make use of the existing subsidy and loan schemes of the Tea Board for development of the tea plantations.

Profits in NTC Show Rooms in Almora and Pithoragarh

1751. SHRI HARISH RAWAT : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether he is aware that N.T.C. show rooms opened in Almora and Pithoragarh in Uttar Pradesh have been earning handsome profit ;

(b) if so, whether NTC show rooms are also proposed to be opened in tehsil headquarters of districts Ranikhet, Wageswar, Dindhat ; Dharchula, Lohughat etc ; and

(c) if so, when.

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) (a) NTC Showrooms in Almora and Pithoragarh were opened on 25th June, 1985 respectively. It is too early to assess the profitability of these showrooms.

(b) and (c) Further opening of show-

rooms in hill areas will be considered only after assessing demand and reviewing the performance of the above two showrooms. However, there is no proposal to open showrooms in all the development blocks of hill districts of Uttar Pradesh.

[*English*]

Findings of Audit Reports on Central Bank of India

1752. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether auditors report for 1984 on Central Bank of India in London had stated that it was having sticky accounts of Rs. 115 crores as reported in the 'Economic Times' of June 7, 1985 ;

(b) whether similar sticky accounts have been found in foreign branches of any other public sector bank also ; and

(c) the main findings of the audit reports ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) to (c) The auditors of Central Bank of India in their Report to the President of India have indicated that a sum of Rs. 115.53 crores due from certain constituents in London (including a company which is in liquidation) has been considered as recoverable on certain assumptions detailed by them in the Report and published by the Bank along with the Annual Accounts for 1984.

The auditors of Union Bank of India in their report to the President of India have indicated that a sum of Rs. 19.86 crores due from a London constituent (under liquidation) has been considered as recoverable on certain assumptions detailed by them in the Report and Published by the Bank along with its Annual Accounts for 1984.

The auditors of United Commercial Bank have reported that no provision has been made by the bank in respect of its

exposures in a country affected by balance of payment problems in view of certain assumptions detailed in the audit Report and published by the bank along with its Annual Accounts for 1984.

Raids on Companies and big Houses for Evasion of Taxes

**1753. SHRI S. M. GURADDI :
PROF. K.K. TEWARY :**

Will the Minister of FINANCE be pleased to state :

(a) the number of raids on various industrial houses, companies and houses of businessmen for evasion of income-tax, excise duties and other central taxes during January to June, 1985 ;

(b) the number of criminal proceeding launched ; and

(c) the particulars and details of those chargesheeted for the violation of taxes amounting to RS. 10 lakhs and above ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Information is being collected and will be laid on the Table of the House.

Seizure of Gold at Madras Airport

1754. SHRI S.M. GURADDI : Will the Minister of FINANCE be pleased to state :

(a) whether the customs authorities at Madras Airport seized 28 kgs. of gold from a Singapore national on 25th May, 1985 ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) on 25th May, 1985, the Officers of Customs Collectorate, Madras, intercepted a Singapore national, Shri R. Raman who had arrived from Singapore by Air India flight No. AI-415. On examination of one of his suitcases, 28 pieces of gold bars with foreign markings weighing 1 Kg. each, were found concealed among nine bundles of readymade garments. Gold weighing 28 kgs. valued at Rs. 63.14 lakhs was seized under the Customs Act. Shri Raman was arrested and remanded to judicial custody.

Share of West Bengal in Advances Made by IDBI, IFCI and LIC

1755. SHRIMATI GEETA MUKHERJEE . Will the Minister of FINANCE be pleased to states :

(a) the share of West Bengal in the total advances made by Industrial Development Bank of India, Industrial Finance Corporation of India and Life Insurance Corporation of India in the years 1982-83, 1983-84 and 1984-85 ; and

(b) how did these compare with those of Maharashtra, Gujarat, Tamil Nadu and Karnataka in the same years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Details of share of assistance sanctioned by Industrial Development Bank of India, Industrial Finance Corporation of India and Life Insurance Corporation of India during the three latest available years viz. 1981-82, 1982-83 and 1983-84 to the States of West Bengal, Maharashtra, Gujarat, Tamil Nadu and Karnataka are indicated in the table below :

TABLE

(Period : April-March)

(Rs. in crores)

S. No.	States	1981-82	1982-83	1983-84
1.	West Bengal	98.3	119.7	150.5
2.	Maharashtra	309.9	325.0	371.9
3.	Gujarat	237.6	331.1	467.0
4.	Tamil Nadu	300.3	226.0	277.4
5.	Karnataka	110.3	155.7	188.3

Reimbursement of custom and other Duties on imported Polyester and Nylon Filament Yarn

1756. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to reimburse all customs and other duties imposed on polyester and nylon filament yarn imported under replenishment licence against exports effected between June 19, 1978 and April 11, 1985;

(b) if so, how much this concession will cost to the exchequer;

(c) what the necessity of this double concession despite cash compensatory allowance being paid to the exporters;

(d) whether this will also give a substantial windfall profit to those who have utilised import licences of this period and will utilize that now; and

(e) if so, the reason for giving them opportunity at public cost ?

THE MINSTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA PCOJARY) : In terms of Notification NO. 120/78-Cus dated 19.6.78 and Notification No. 121/78 dated 19.6.78, nylon and polyester filament yarn were exempted from basic customs duty and auxiliary duty when imported under an REP licence issued against export of specified products. But the same were subject to countervailing duty. Drawback on countervailing duty was permissible on the inputs used in the manufacture of finished export products. On the recommendation of the Ministry of Commerce, it was decided to permit import of these items free of basic customs duty, auxiliary duty and countervailing duty under REP licences issued for exports of specified products. Accordingly, Notification No. 126/85-Cus and Notification No. 127/85-Cus both dated 12.4.85 were issued. The intention was to exempt import duties on these items at one stage with the issue of the notification dated 12.4.85, the earlier notification dated 19.6.78 became otiose and the same was rescinded.

It was, however, subsequently ascertained from the Chief Controller of Imports & Exports that many applications were pending for issue of REP licences for import of nylon and polyester filament yarn for the Exports of specified production exported during 19.6.78 to 11.4.85. In view of this further Notification No. 198/85 and 199/85, both dated 17.6.85 were issued for permitting import of these items without payment of basic and auxiliary duty against REP licences provided that export of finished products were made between 19.6.78 and 11.4.85. This notification in effect restored the exemptions in respect of basic customs duty and auxiliary duty existing prior to 12.4.85;

(b) there will be no extra cost because the notification only restored the exemption of basic customs and auxiliary duties available under the notification dated 19.6.78;

(c) the scheme of cash compensatory allowance is exclusive of custom duties and hence does not compensate for those duties. Therefore, the question of double concession to the trade does not arise;

(d) and (e) No Sir, because the notification dated 17.6.85 only restores the exemption from basic customs duty and auxiliary duty which were available under the earlier notification dated 19.6.78.

Shortage of coking Coal

1757. SHRI SHYAM LAL YADAV : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is acute shortage of coking coal in recent months;

(b) if so, the reasons for the same; and

(c) the steps Government have taken to make supply easy and reduce the price also ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :
(a) to (c) The steel plants which are the main consumers of coking coal had

5.30 lakh tonnes of coking coal in stock as on 1.7.1985. There is, however, a gap between the total availability of coking coal in the country vis-a-vis the demand. This gap is being met through imports. To meet the increased coking coal demand, a higher priority has been given to the development and reconstruction of Jharia coalfield.

Check on smuggling on Indo-Nepal Border

1758. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken certain stringent measures to check smuggling on Indo-Nepal border;

(b) if so, whether Government have succeeded in checking the smuggling;

(c) if so, the value of goods seized during this period and the extent of increase therein as compared with the last year; and

(d) the names of goods which are being smuggled on this border on large scale ?

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

(b) and (c) As a result of the intensified drive to check smuggling, contraband goods valued at Rs. 1.58 crores were seized and 124 persons arrested in connection with smuggling activities during the year 1985 (upto June) as against Rs. 91.48 lakhs worth of goods seized and 57 persons arrested during January to June, 1984. (Figures are provisional).

(d) Gold, electronic goods, synthetic fabrics and yarn and Nepali Ganja are the main commodities sensitive to smuggling into the country from Nepal, whereas goat skin, woollen yarn and petroleum products are the main commodities sensitive to smuggling out of the country.

Opening of new Mines by ECL in West Bengal

1759. SHRI BASUDEB ACHARIA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are aware of the fact that a meeting was held on 5 November, 1982 in connection with opening of new mines in the State of West Bengal by the Eastern Coalfields Limited in which the Chief Minister of West Bengal, the Coal Secretary, an E.C.L. representative and representatives of various trade Unions participated;

(b) if so, the salient points of the discussion held in at the said meeting;

(c) the details of the decisions taken in that meeting;

(d) whether it is being implemented; and

(e) if not, the reasons therefor ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir.

(b) The question of giving employment to local youth in certain new mines which were proposed to be opened by ECL in West Bengal was discussed in the meeting.

(c) to (e) It was decided that in accordance with the formula evolved in 1980, 30% of the jobs in the proposed new mines would be filled by new recruits, the balance being filled by re-deployment of surplus manpower already available with ECL. An Officers' Committee was appointed to examine the problem on this basis. However, eventually it was decided on *ad-hoc* basis to offer employment to 600 local youth through employment exchanges in addition to the land losers to be employed in accordance with norms. The employment was to be given as work progressed in the mines. The decision is being implemented by ECL. 177 persons have already been employed. The delay in further employment has been caused by Court injunctions and delay in obtaining the names of candidates from employment exchanges.

Review of existing Pattern for opening branches of Nationalised Banks

1760. SHRI BASUDEB ACHARIA : Will the Minister of FINANACE be pleased to state :

(a) whether Government have made any review of the existing pattern of opening bank branches in the country by the nationalised banks;

(b) if so, the details of the said review;

(c) if not, whether Government propose to make any such review now; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) branch licensing policy of the Reserve Bank of India, since the nationalisation of major commercial banks in 1969, has been oriented towards achieving the extension of banking facility to rural and semi-urban areas. The policy as well as the progress in its implementation is reviewed from time to time and suitable modifications are made whenever considered necessary. The nationalised banks have also been directed by the Government to review, on a regular basis, their own progress of opening new bank offices against the licences given by Reserve Bank of India.

(c) and (d) Do not arise.

Blending of Darjeeling Tea

1761. SHRI BASUDEB ACHARIA : SHRI AJIT KUMAR SAHA :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware of the fact that some foreign companies are using the name 'Darjeeling' without specifying the actual percentage of Darjeeling tea mixed in a blended tea packet;

(b) if so, what steps Government propose to stop selling of non-Indian tea as Darjeeling tea; and

(c) whether Government propose to enact legislation to ban the practice ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) Although it is not the usual trade practice to specify the blend percentage of teas sold in packets, there are reports of the use of Darjeeling name in brands containing a negligible/ small percentage of such tea. The Tea Board's overseas Offices are making periodic checks at the retail level for taking up such cases, with the appropriate authorities in the consuming countries, for remedial action. Legal measures would only be feasible in terms of the laws applicable in the countries where such misbranding is detected.

Pending excise duty cases of Indian Tobacco Company

1762. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) Whether Government propose to recover interest on the pending excise duty of M/s Indian Tobacco Company Ltd. which are pending for more than three years thereof and also on the amount for which Supreme Court has given judgement;

(b) if so, the details thereof; and

(c) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Central Excises and Salt Act, 1944 and the rules made thereunder do not provide for charging of interest on excise duty pending recovery.

Complaints against Indian Tobacco Company regarding evasion of Duties

1763. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any complaint against M/s. Indian Tobacco Company Ltd. on violation and malpractices of excise and custom duty;

(b) if so, the details thereof; and

(c) whether Government will take some special steps to examine the violations thereof and if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A complaint dated the 10th July, 1985 regarding evasion of duty by M/s. I.T.C. Ltd. has been received. However, no case of evasion of excise duty by M/s. I.T.C. Ltd. has come to notice recently. There are some reports of sales of cigarettes in retail at prices higher than those printed, in violation of the provisions of the Standards of Weights and Measures (Packaged Commodities) Rules, 1977.

(c) As the complaint is not specific, the question of taking special steps on the basis of this complaint does not arise.

Smuggling of gold and Electronic Articles

1764. PROF. CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state:

(a) whether smuggling of gold and electronic articles has increased considerably during the past one year;

(b) if so, the details thereof; and

(c) the steps proposed to be taken by Government to end the smuggling?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The extent of smuggling varies from time to time depending on various factors like demand-and-supply position, profitability, etc. and being a clandestine activity, is not amenable to quantification and comparison. The value of gold and electronic goods seized during the years 1984 and 1985 (upto June) is as under :

(Value : Rs. in crores)

Year	Gold	Electronic goods
1984	10.24	18.74
1985*	27.82	3.50

(upto June)

(c) The drive against smugglers has been intensified. The preventive and intelligence machinery of the Customs department has been reinforced in terms of manpower and equipment. In addition, appropriate anti-smuggling measures, both short-term and long-term, are taken in close co-ordination with the concerned Central and State Government authorities. The trends of smuggling and seizures are kept under constant review for taking appropriate remedial action, as warranted.

[*Translation*]

Indo-Pak Trade

1764. PROF. CHANDRA BHANU DEVI : Will the Minister of COMMERCE be pleased to state :

(a) the names and value of goods imported by India from Pakistan during the Last three years, year-wise ;

(b) the names and value of goods exported by India to Pakistan during the same period ; and

(c) the steps taken by Government to increase the trade between India and Pakistan ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) : Statements I to III containing requisite information for the last three years for which statistics are available are given below.

(c) Bilateral discussions are held periodically to explore possibilities of increasing trade between two countries. In the last meeting of the Indo-Pak Sub-Commission held New Delhi in July, 1985, indicative lists of products of export interest to each side have been exchanged and both sides have agreed to intensify the commercial exchanges of bulk commodities.

*Figures are provisional.

Statement—I

*Statement Showing the Principal Commodities Statistics of India's Trade with
Pakistan During 1980-81.*

(Value in Rs. Lakhs).

DESCRIPTION OF COMMODITIES	UNIT OF QTY.	QTY.	VALUE
A—EXPORTS (EXC.) RE-EXPORT :			
Metalliferous Ores and Metal Scrap	—	—	
Crude animal and vegetable materials	—	—	20
Stone, Sand and Gravel	—	—	8
Chemicals and related products	—	—	20
Non-Metallic Mineral Manufactures	—	—	4
Iron & Steel	Tonne	208	20
Metal Manufactures	—	—	1
Machinery & Transport Equipment	—	—	18
Special Transactions & Commodities not classified according to kind	—	—	..
Miscellaneous manufactured articles	—	—	—
Other articles	—	—	11
TOTAL EXPORTS	—	—	1,02
B—IMPORTS :			
Fruits & Vegetables	—	—	2,75
Textile fibre & their waste	—	—	..
Crude fertilizers & crude minerals	—	—	68
Crude vegetable materials	—	—	22
Iron & Steel	'000 Tonnes	4	82
Spices	'000 Kg.	5	3
Newsprint	,, ,
Leather	—	—	..
Other Articles	—	—	70,89 *
TOTAL IMPORTS	—	—	75,39

Includes POL Products

Statement-II

Statement Showing the Principal Commoditywise Statistics of India's Trade with Pakistan During 1981-82.

(Value in Rs.Lakhs)

DESCRIPTION OF COMMODITIES	Unit of		
	QTY	QTY.	VALUE
A—EXPORTS (EXCL. Re-EXPORT) :			
Metalliferous Ores & Metal Scraps	—	..	1.84
Crude animal & Vegetable materials	—	—	52
Stone, Sand & Gravel	—	—	8
Chemicals & related products	—	—	17
Non-Metallic mineral manufactures	—	—	27
Iron & Steel	Tonne
Metal manufactures	—	—	59
Machinery & Transport equipment	—	—	..
Special transactions & Commodities not classified according to kind	—	—	19
Miscellaneous manufactured articles	—	—	20
Other articles	—	—	1,04
TOTAL EXPORTS :	—	—	4,94
B—IMPORT :			
Fruits & vegetables	—	—	60
Textile fibre & their waste	—	—	11,86
Crude Fertilizers & crude minerals	—	—	66
Crude Vegetable materials	—	—	82
Iron & Steel	'000	Tonne	79
Spices	'000	Kgs.	91
Newsprint	„	„	..
Leather	—	—	20
Other Articles	—	—	30,39*
TOTAL IMPORTS	—	—	54,70

Includes POL Products,

Statement—III*Statement showing the India's Trade with Pakistan during the period 1982-83.*

Principal Commodities	Unit of Quantity	Value in Rs. Lakhs 1982-83	
		Quantity	Value
A—EXPORTS			
Other Crude minerals		—	60
Iron ore and concentrates	.000 Tonne	258	4,76
Chemicals & related products	—	—	31
Glassware	—	—	13
Iron and Steel	Tonne	326	31
Metal manufactures n. e. s.	—	—	12
Machinery & Transport equipment	—	—	95
Others	—	—	17*
Total of Exports	—	—	7,35*
B—IMPORTS			
Fruits & nuts (Excl. oil nuts)	—	—	1,40
Fresh or dried			
Spices	.000 Kgs.	24	6
Other crude minerals	—	—	73
Crude vegetable materials n.e.s.	—	—	1,31
Textile yarn	.000 Kgs.	30	9
Cotton Fabrics, woven	.000 Sqm.	942	49
Fabrics woven of man-made fibres	„	350	18
Iron and Steel	.000 Tonne	180	23,21
Ships and boat	No.	1	47
Other	—	—	9,60
Total of Imports	—	—	37,54*

* Figures are provisional.

[English]

Proposal to Revise Guidelines for Distribution of Steel

1766. SHRI BANWARI LAL PUROHIT : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is a proposal under the consideration of his Ministry to revise the guidelines for the distribution of steel in the country so as to streamline the system and ensure that larger quantities of steel become available to actual users;

(b) whether the requirements and problems of the consumers would be taken into consideration while finalising the fresh guidelines for the distribution system of steel;

(c) if so, the time by which the new guidelines in this regard are likely to be issued; and

(d) the extent to which consumers are likely to be benefited by the revised guidelines ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAK SINGH) : (a) and (b) Yes, Sir.

(c) The new guidelines are expected to be finalised very soon.

(d) It is felt that under the provisions of the revised guidelines and with the streamlining of the current procedure for imports, the genuine demand of the consumers could be met to a great extent.

Opening of Branches of Nationalised Banks in Nagpur

1767. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of nationalised banks opened in Nagpur (Maharashtra) during the last three years;

(b) the details of each of the branch of nationalised bank and whether there is a proposal under consideration of Govern-

ment to open more branches of nationalised banks during the next two years in Nagpur (Maharashtra); and

(c) the details thereof and to what extent the general public of Nagpur will be benefited by these banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During the 3 years period from January 1982 to December 1984, Nationalised Banks had opened 15 branches in Nagpur.

(b) and (c) Currently there are 97 branches of Public Sector Banks operating in Nagpur as per details given in the Statement below. Proposals for opening more bank branches in Nagpur will be considered in the light of the Branch Licensing Policy for the Seventh Five Year Plan Period which is being finalised.

Statement

Statement showing the number of branches of Public Sector Banks operating in Nagpur, Maharashtra

Banks	No. of branches
1. State Bank of India	8
2. State Bank of Bikaner & Jaipur	1
3. State Bank of Hyderabad	1
4. State Bank of Indore	1
5. State Bank of Patiala	1
6. Allahabad Bank	5
7. Andhra Bank	1
8. Bank of Baroda	8
9. Bank of India	13
10. Bank of Maharashtra	14

11. Canara Bank	6
12. Central Bank of India	9
13. Corporation Bank	1
14. Dena Bank	3
15. Indian Bank	1
16. Indian Overseas Bank	2
17. New Bank of India	1
18. Oriental Bank of Commerce	2
19. Punjab & Sind Bank	1
20. Punjab National Bank	7
21. Syndicate Bank	3
22. Union Bank of India	5
23. United Bank of India	1
24. United Commercial Bank	1
25. Vijaya Bank	1
Total :	97

Separation of Customs Marine Department From Coastal Guards

1769. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Customs Marine Department which was earlier merged with Coastal Guards has again been separated and revived keeping in view to intensify anti-smuggling activities;

(b) the way by which the Customs Marine Department will intensify anti-smuggling activities; and

(c) to what extent the trend of increasing smuggling activities in the coastal areas is likely to be put under control?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) A decision was taken to merge the Custom Marine Wing with the Coast Guard Organisation. But the merger could not take place due to administrative reasons and Court cases, etc. Government have now created a new Customs Marine Organisation under the Central Board of Excise and Customs for intensifying sea/water borne anti-smuggling activities.

(b) It is planned to re-inforce the customs fleet in a phased manner with a balanced mix of different types of vessels specially designed for meeting the anti-smuggling requirements and deploy them on sensitive Indian customs waters and riverine areas.

(c) Augmentation and upgradation of the customs fleet, together with intensified vigil and patrolling, etc., is likely to help in curbing smuggling activities in the coastal areas.

Withdrawal of Ban on Recruitment in Central Government Services

1770. SHRI NARAYAN CHOUBEY :
SHRI RAJ KUMAR RAI :

Will the Minister of FINANCE be pleased to state :

(a) when Government imposed ban on recruitment in Central Government Services;

(b) what were the reasons for the same;

(c) the number of Central Government employees who have since been retired;

(d) whether it is a fact that the policy has imposed more workload (compared to accept yardstick) on the employees leading to fall in quality of work;

(e) whether this has added to the acute unemployment problem; and

(f) when do Government propose to withdraw the ban?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) As a part of anti-inflationary measures, Ministries/Departments of the Government of India were advised in January, 1984, not to fill up existing vacancies, except where recruitment action had been taken.

(c) Statistics on the subject are not centrally maintained.

(d) and (e) Exemptions have been allowed in a few selective cases like appointment of dependants of deceased employees on compassionate grounds and handicapped persons, redeployment of personnel surplus to one organisation in another; regularisation of casual labourers against Group 'D' vacancies, filling up of vacancies purely by promotion etc. Proposals for filling up of other types of vacancies are, however, considered on the merits of each case taking into account the operational necessity. It is expected that with the overall expansion and growth in economy, employment opportunities should increase in the non-Government sector also.

(f) In circumstances in which these instructions were issued have not changed since then to warrant any relaxation thereof.

Memorandum From Various Trade Unions to Fourth Pay Commission

1771. SHRI NARAYAN CHOUBEY : Will the Minister of FINANCE be pleased to state :

(a) whether the Fourth Pay Commission has received memorandum from various trade unions and other sections of the employees;

(b) whether the Commission has started hearing representatives of the trade unions; and

(c) if so, the number of representatives heard so far and the number which are yet to be heard?

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

(b) and (c) The Commission have been hearing representatives of Unions etc. since 1st March, 1985. So far 1840 representatives of 310 federations/unions/associations have appeared for oral evidence before the Commission. The programme of oral evidence of Unions etc. is almost over.

Production of coal during last two years

1772. SHRI PRAKASH CHANDRA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the target of coal production and its actual realisation during the past two years; and

(b) the reasons for which coal production has lagged behind target during these years?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) The target of coal production and its realisation during the past two years is as under :—

(Figures in million tonnes)

	1983-84	1984-85		
Target	Production	Target	Production	
Coal				
India	123.00	121.41	131.00	130.84
SCCL	15.00	12.69	17.00	12.33
TISCO/				
IISCO/				
DVC	4.00	4.12	4.00	4.26
Total	142.00	138.22	152.00	147.43
			(Provisional)	

The shortfall in Singareni Collieries Company Ltd., was mainly due to frequent strikes by the employees of the company. Among the subsidiary companies of CIL, there was shortfall in production vis-a-vis target, in ECL and BCCL, due to power shortages, absenteeism etc.

Advances by Banks to Labour Contract Societies

1773. SHRI PRAKASH CHANDRA : Will the Minister of FINANCE be pleased to state :

- (a) the norms and limits to grant clean cash credits regarding advances by banks to labour contract societies during 1st July, 1983 to 1st June, 1984;
- (b) the reasons why Government have changed this policy; and
- (c) the total amount sanctioned during the year 1984 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) No change has been made in the policy during 1st July, 1983 to 1st June, 1984. The norms for financing Labour Contract Societies by Cooperative Banks were liberalised in June, 1983. The revised norms are as under :—

- (i) Clean Cash Credit limit may be sanctioned equal to owned funds without Government Guarantee and 3 times of the Owned funds with Government guarantee;
- (ii) In addition to above, sanction of accommodation upto 70% of the executed contracts and pending bills therefor in favour of the Government/Quasi Government bodies may be granted provided such bills are not pending for more than 3 months.

These changes were made, as some of the Labour Contract Societies and their State Level Federations had sought relaxations in the norms so as to obtain higher credit limits from Cooperative Banks. Prior

to June, 1983 Central Cooperative Banks were allowed to sanction clean cash credit limits to Labour Contract Societies equal to owned sanctioned funds when such advances were not covered by Government guarantee and twice the owned funds when the Government guarantee was available.

- (c) Present data reporting system does not yield information, as desired.

Increase in Investment of IDBI and ICICI for Development of North Southern and Eastern Regions

1774. SHRI CHINTA MOHAN : Will the Minister of FINANCE be pleased to state :

- (a) whether Government are aware that some areas in the country, especially North Eastern Region, Southern Region and Eastern Region are quite backward as far as industrial development is concerned;
- (b) if so, the steps initiated by Government to ensure that these areas are at par with other areas in the country; and
- (c) whether, as one of the measures, Government propose to increase the investment of Industrial Development Bank of India (IDBI) and Industrial Credit and Investment Corporation of India in these areas ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As on 1.4.85, 134 industrially backward districts in the country have been classified as category 'A' districts comprising of No Industry Districts (NIDs) and Special Region Districts (SRDs). The region-wise distribution of NIDs and SRDs are as follows :

S. No.	Region	No. of NIDs/ SRDs
1.	North Eastern Region	42
2.	Southern Region	5

3.	Eastern Region	20
4.	Northern Region	45
5.	Western Region	4
6.	Central Region	18

(b) In pursuance of the policy of the Government to achieve a balanced regional development, several incentives are offered for industries located in the identified backward areas. The incentives include Central Investment Subsidy upto a maximum of Rs. 25 lakhs, subsidy by Central Government upto Rs. 2 crores for each NID for infrastructure development, transport subsidy to the extent of 75% to meet transport costs of industrial raw materials and finished goods between location of industrial units and identified rail-heads/ports, suitable exemption from income-tax, special facilities for import of raw materials, priorities in licences etc.

(c) The financial institutions do not make region-wise allocation of their resources. Flow of institutional assistance to any particular region depends upon the number of applications from viable projects financing from the particular region. The financial institutions, however, encourage a more balanced regional development by offering a number of incentives such as concessions in the rate of interest and underwriting commission, reduced promoters' contribution, non levy or reduction in commitment charge, debt-equity ratio, non application of convertibility option, interest free loan for project-specific infrastructure development etc. for industrial units being located in identified backward areas.

India's Economic Management

1775. SHRI B V. DESAI :
SHRI KAMAL NATH :

Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has complimented India's economic management, specially its careful foreign borrowings and risk avoidance;

(b) if so, the other main features about India mentioned in the World Development Report of 1985;

(c) whether in view of the good performance, the World Bank has agreed to provide more funds on liberal terms and conditions for India; and

(d) if so, the total amount that is likely to be provided ?

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

(b) The World Development Report of 1985 compliments India's adoption of suitable domestic economic policies to narrow the trade deficit, the liberalisation of import controls and increased incentive for investment in the early eighties. As a result the growth rate has picked up and India was also able to manage its external debt and balance of payments efficiently.

(c) and (d) The lending programme of the World Bank is based on annual budgets approved by its Executive Board and country-wise allocations are made based on Bank's lending criteria. Lending to a particular country is not increased as an incentive for better performance.

Aid to India by Aid-India Consortium in 1985-86

1776. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether the Aid-India Consortium on 19th June, 1985 pledged total assistance of 4 billion dollars to India during the fiscal year 1985-86 ;

(b) if so, whether this decision represents an increase of over 5 per cent in real terms ;

(c) if so, whether any final decision by the Consortium have been conveyed to India ; and

(d) by what time the same is likely to be received ?

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

Tentative indications of economic assistance of about \$ 4 billion for the year 1985-86 were given by the members of the Consortium including the World Bank at the Aid India Consortium meeting held at Paris on June 18 and 19, 1985 subject to necessary approvals under their respective laws and regulations. In SDR terms, the pledges made this year represent an increase of over 5 per cent. These pledges are formalised on the basis of bilateral agreements with the donors and actual disbursements follow conclusion of such agreements.

Trade Agreement between India and Pakistan

1777. SHRI B.V. DESAI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the Pakistan and India could not make much headway in the trade talks between the two countries ;

(b) if so, the main reasons therefor ; and

(c) the other measures taken to remove the disputes and arrive at a final agreement between the two countries in regard to trade ?

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

(b) The main reasons is Pakistan's reluctance to extend to India MFN treatment as provided in GATT. Presently, Pakistan restricts import from India to its public sector agencies.

(c) Government will continue its efforts with a view to concluding a mutually satisfactory trade agreement.

Target set for India's Exports to Soviet Union

1778. SHRI B.V. DESAI : Will the Minister of COMMERCE be pleased to state :

(a) whether India's exports to the Soviet Union may miss the target set under the trade plan for 1985 ;

(b) if so, the main reasons for the same and corrective steps taken or proposed to be taken ; and

(c) whether a review of bilateral trade carried out in Moscow during the last week of June, 1985 showed that in the first five months of 1985, Soviet organisation had signed contracts worth no more than Rs. 1900 crores ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) During the first five months of 1985, contracts for Indian exports to USSR were reported to be for a value of Rs. 1900 crores against the trade plan target of Rs. 2500 crores. More contracts are expected to be signed during the remaining part of the year.

Computer Assessment system to Evaluate Ex-Factory product for Levying Excise Duties

1779. SHRI G.G. SWELL : Will the Minister of FINANCE be pleased to state :

(a) whether a computer assessment system will soon be introduced to evaluate an ex-factory product for levying excise duties uniformly on a national basis;

(b) whether under the present system Government lose a great deal of revenue and also there is a lot of litigation; and

(c) when the computerised system is likely to go on operation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) : Statistical information regarding production and clearance of excisable goods and revenue receipts are already being centrally compiled on computer. A pilot experiment for computerising revenue statistics based on treasury challans has recently been undertaken in some of the Central Excise Collectortates. A scheme for further use of computers for comparison of data for

purposes of assessment by the field formations is being worked out. While it is a fact that there a number of court cases pertaining to central excise matters, it cannot be said that litigation arises out of the present system of assessment without the use of computer or that there is considerable loss of revenue.

Value of Rupees

1780. SHRI RANJIT SINGH GAEK-WAD : Will the Minister of Finance be pleased to state :

(a) the value of Rupee as at present as compared to that in 1960-61, and 1970-71 ;

(b) its impact on the economy of the country, particularly on the living conditions of general masses ; and

(c) the steps taken to counteract the impact ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) : The purchasing power of the rupee, measured as the reciprocal of the All India Consumer Price Index for Industrial Workers (base 1960 = 100), was 98.04 paise in 1960-61, 53.76 paise in 1970-71 and 16.67 paise in May 1985 (latest available).

Government keeps a close watch over the price situation and measures are taken on a wide front to keep the prices in check. The main thrust of the measures continues to be on effective demand and supply management including strengthening of the public distribution system, enforcement of fiscal discipline and keeping the aggregate liquidity in the system under control. The Central Government has advised the State Governments to take strict action against traders indulging in profiteering, hoarding and blackmarketing. It may, however, be noted that while consumer prices increased by about 470 per cent during the period 1960-61 to 1984-85, per capita income (at current prices) registered an increase of nearly 700 per cent during this period. Government has also launched many schemes (viz. National

Rural Employment Programme, Integrated Rural Development Programme and Rural Landless Employment Guarantee Programme) for the benefit of the weaker sections of the society.

Procurement of Seed Lac :

1781. SHRI JAGANNATH PATTNAIK
Will the Minister of COMMERCE be pleased to state :

(a) whether Government's attention has been invited to the news-item appearing in the "Financial Express" dated 5 July, 1985 that the failure of market intelligence in the procurement of seed lac resulted in a loss of Rs. 99.42 lakhs to the State Trading Corporation of India as per Report of the Comptroller and Auditor General of India ;

(b) if so, whether Government have studied the Report and come to the conclusion regarding the factors responsible in this regard ; and

(c) if so, the details thereof ?

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

(b) and (c) The para relating to "Loss on Procurement of Lac" forming part of the Report of the Comptroller & Auditor General of India for 1983-84—Union Government (Civil) is being examined in all its aspects by the Government of India.

[Translation]

News item Captioned "Sadhe Char Lakh Ka Sona Baramad" (Seizure of Gold Worth Rupees 4½ Lakhs)

1782. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to a news-item captioned "Sadhe Char Lakh ka Sona Baramad" (seizure of gold worth rupees 4½ lakhs) appearing in Hindi daily "Jansatta" on 5 July 1985 ;

(b) if so, the details in this regard ;
 (c) the measures taken by Government to check such offences ?

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

(b) On 4th July, 1985, the officers of Customs Collectorate, Delhi, intercepted and examined S/Shri Subhash Jain and Akbal Jain who were to leave for Madras by Indian Airlines Flight No. IC-139. On examination, primary gold weighing 2416 grammes valued at Rs. 4.66 lakhs was recovered and seized from them. In the follow-up action, the residential premises of Shri Sushil Jain was searched on 4th July, 1985 and primary gold and gold ornaments collectively valued at Rs. 5.21 lakhs were recovered and seized. S/Shri Subhash Jain, Akbal Jain and Sushil Jain were arrested.

(c) The drive against smugglers has been intensified. The preventive and intelligence machinery of the Customs department has been reinforced in terms of manpower and equipment. In addition, appropriate anti-smuggling measures both short-term and long-term, are taken in close co-ordination with the concerned Central and State Government authorities. The trends of smuggling and seizures are kept under constant review for taking appropriate remedial action as warranted.

[English]

Constitution of a High Power Committee to Investigate Fast Closure of Mica Mines

1783. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Union Government have decided to constitute a high power committee to investigate the fast closures of mica mines after 1972 ; and

(b) if so, the details in this regard and if not, the reasons therefor and also for reducing the number of mica mines in the country ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) The Union Government had constituted a high power committee on 7.7.80 to conduct indepth study of problems of Mica industry which included the fast closure of Mica Mines. The Committee has submitted its report in the year 1981. As per the report, the number of mica mines reporting production has come down from 561 in the year 1969 to 223 in the year 1979. The report and the latest information from Indian Bureau of Mines has outlined the following as the reasons of closure of Mica Mines :

- (i) Falling demand in export market.
- (ii) Increase in mining costs of and the production of crude Mica.
- (iii) Decreasing concentration of Mica along strike and depth due to pinching out of the mines.
- (iv) Influx of water in Mica mines by percolation.
- (v) Non-availability of suitable mining machinery on easy commercial terms.
- (vi) Lack of financial assistance from banks and other financial institutions.
- (vii) Non-employment of technically qualified personnel, as required under the Metalliferous Mines Regulations.

Smuggling of Coal from Collieries

1784. SHRI RAMASHRAY PRASAD SINGH :
SHRI MOHD. MAHFOOJ ALI KHAN :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether coal is smuggled from the collieries in the country particularly from Bihar State ;

(b) if so, the details thereof and the steps Government have taken to stop the smuggling of coal from the collieries in the country ;

(c) whether unauthorised stocks of superior grade coal were recently recovered from some places following a crack-down on coal smugglers in Dhanbad ; and

(d) if so, the details thereof and the steps so far taken by Government in the matter ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) and (b) The Government have no information of any large scale smuggling of coal from the collieries in the country. However, effective steps in cooperation with the State Government authorities are being taken for quite some time now to check theft/pilferage of coal. These steps, inter-alia, are :—

(i) Carrying out surprise checks ;

(ii) Detection through flying squads consisting of police, Watch and Ward and Central Industrial Security Force personnel ;

(iii) Cancellation of licences of private coal deposits within a radius of 8 kms. by District authorities ;

(iv) Stricter regulation of supply of domestic coal to the consumers ;

(v) Departmentalisation of internal transport of coal/coke from pit-heads to railway sidings.

(c) No such case has come to Government's notice.

(d) Does not arise.

Loan to India by Asian Development Bank

1785. SHRI C. MADHAV REDDI : Will the Minister of FINANCE be pleased to state :

(a) whether any progress has been made over India's applications for a loan from the Asian Development Bank ;

(b) if so, details of the loan sanctioned by Asian Development Bank ; and

(c) details of projects likely to be funded with this loan ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Government of India has indicated to the Management of the Asian Development Bank its intention to commence borrowing from the Bank during the period of Third General Capital Increase (ending 1987). The exact amount of loans to be extended to India during this period and the projects to be financed are still under discussion.

Seventh Plan Outlay on Iron and Steel Industry

1786. SHRI C. MADHAV REDDI : Will the Minister of STEEL, MINES AND COAL be pleased to state whether it is a fact that the Working Group on the Iron and Steel industry has suggested an outlay of Rs. 13,141 crores in the Seventh Five Year Plan to help steel production match the demand ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI NATWAR SINGH) : Yes, Sir.

Decline in Tea Prices in International Markets

1787. SHRI CHINTAMANI PANIGRAHI : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any sharp decline in tea prices in international markets :

(b) whether any strategy was evolved by tea growing countries to check fall in prices in international markets ;

(c) other steps taken to check this trend by India ; and

(d) the details, if any ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (d) International prices of tea have been showing a declining trend since the beginning of 1985. However,

the producing countries have been unable so far to arrive at a comprehensive commodity agreement to stabilize the tea market. India has been regulating exports under the Tea Marketing Plan 1985 with the objective of maintaining stable domestic prices, while optimising export earnings.

Opening of Branches of Banks in Asian Countries

1788. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether various public sector banks have planned to open their branches in several Asian countries; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Reserve Bank have received some proposals from a few public sector banks for opening branches in some Asian Countries. However, without clearance from Reserve Bank and the host countries, these cannot be said to form part of Banks' plans for opening branches abroad.

Export Markets in Handicrafts

1789. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that India is losing its various export markets in handicrafts due to strong competition from several Asian countries ; and

(b) if so, the steps being taken to recapture the export markets ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) and (b) Although India faces competition from several Asian countries in the field of handicrafts, the recent trend of export of Indian handicrafts do not indicate any overall loss of export markets. The exports of India handicrafts have risen from Rs. 345.92 crores (Prov.) in

1683-84 to Rs. 397.37 crores (Prov.) in 1984-85. However, to increase India's share in the imports of handicrafts in other countries, greater stress is being given on holding exhibitions of Indian handicrafts specially in West European and North American countries. To promote exports of handicrafts a separate Export Promotion Council for carpets has already been set up and another for other handicrafts is being formed. Recently a Sales-cum-Study tea of carpet exporters visited Japan, Hongkong, South Korea and Singapore.

[Translation]

Increase in Amount of Interim Relief Pending Finalisation of Fourth pay Commission Report

1790 : SHRI VIJOY KUMAR YADAV :
PROF. P. J. KURIEN :

Will the Minister of FINANCE be pleased to state :

(a) whether pending finalisation of report of Fourth Pay Commission, Government propose to increase the amount of interim relief :

(b) if not, the reasons therefor ?

(c) whether employees have also demanded another instalment of interim relief ; and

(d) if so, the reaction of Government there to ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The interim relief to the Central Government employees granted recently was based on the recommendations of the Fourth Pay Commission. The question of increase in the amount of interim relief can only be considered on any further recommendation of the Fourth Pay Commission.

(c) and (d) No, Sir. Representations, however, have been received from the Unions/Associations of employees stating that the amount of interim relief now

granted is inadequate. The Fourth Pay Commission is the appropriate forum for consideration of such representations.

[*English*]

Unviable Spinning Mills in Kerala

1791. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether there are spinning and weaving mills in Kerala which are financially not viable due to less number of spindles :

(b) whether Government intend to sanction adequate number of spindles to enable them to stand on their own feet ; and

(c) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH)
(a) Data regarding mills classified in this manner is not available.

(b) and (c) Application for expansion are considered on merits in the light of current policy.

Export of Coir Production from Kerala

1792. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the exports of coir products from Kerala have suffered a set back due to lack of export promotional activities ; and

(b) if so, the steps being taken to remedy the situation ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) :
(a) No, Sir.

(b) Does not arise.

Import of Rubber, Copra and Coconut Oil

1793. SHRI V. S. VIJAYARHGAVAN :
PROF. P. J. KUIREN :

Will the minister of COMMERCE be pleased to state :

(a) whether Government propose to stop all imports of rubber, copra and coconut oil and augment the domestic availability of these commodities to meet fully the internal demand ;

(b) if so, the steps being taken in the regard ;

(c) the amount spent on the import of each of the items during the last three years ;

(d) whether Government have fixed any time limit beyond which import of these items will not be necessary; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) At present there is no proposal to stop the import of rubber. However, a proposal to stop the import of copa/coconut oil is under consideration.

(c) The State Trading Corporation of India, which is the canalising agency for all the three items have made the following imports during last three years :-

(CIF value in Rs. Lakhs)

	1982-83	1983-84	1984-85
(1) Rubber	2480	4556	2825
(2) Copra	Nil	Nil	Nil*
(3) Coconut oil		Nil	1200

(Approx)

* On the orders, of Delhi High Court, a licence for the import of 1060 M. Ts of sum dry copra valued at about Rs. 75 lakhs has been issued on 13.3.85 to M/s India Coconut Oil Industries, Calcutta.

Besides, the import of the above items is allowed to a limited extent against replenishment/advance/import licences for export production for which import figures are not available.

(d) No, Sir.

(e) Does not arise.

Steps Taken to State Work of Vijayanagar Steel Plant in Karnataka

1794. SHRI S. M. GURADDI : SHRI PRAKASH CHANDRA :

Will the Minister of STEEL, MINES AND COAL be pleased to refer to the reply given to Unstarred Question No. 5158 on 3.5.1985 regarding Vijayanagar Steel Plant in Karnataka and state :

(a) whether any concrete steps have been taken to start the work of Vijayanagar Steel Plant ;

(b) if so, the details thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI NATWAR SINGH) : (a) to (c) The detailed project report for the first phase of the Vijayanagar Steel Plant has been received. The commencement of work on the project will depend upon the investment decision which has not yet been taken. However, certain preparatory/preliminary works such as land acquisitions, topographical survey, geophysical investigations, soil investigations etc. have been undertaken.

Irregularities in Nationalised Banks in Bangalore

1795. SHRI V. S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) how many attempts to commit burglary and actual burglaries took place since January, 1985 in nationalised banks in Bangalore city ;

(b) the amount involved in these burglaries ; and

(c) whether Government propose to instruct the nationalised banks to stop burglaries ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Reserve Bank of India has reported that a theft involving Rs. 20,000/- was committed in the State Bank of Hyderabad branch in Bangalore city. One case of attempted burglary was also reported to the RBI by Punjab National Bank. Although there was no loss of cash in this case, one bicycle and one pocket calculator of the aggregate value of Rs. 725.50 were stolen.

(c) The Reserve Bank of India has reported that banks have been advised of various measures to strengthen their security arrangements. Provision of armed guards in banks is one of the measures. However, the security measures that have to be taken by the banks are decided by the banks on the basis of identified degree of vulnerability of each branch.

Anomaly in Provision of Central Sales Tax Act

1796. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that in levying Central Sales Tax, the postage is also taken into account ;

(b) whether affixing of postage stamps is considered as a sales by Government ; and

(c) the steps Government propose to remove this anomaly, if necessary, by amending the provision in Central Sales Tax ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Sales tax is mainly a State subject of taxation. The proceeds from Central sales tax levied

on inter-States sales of goods under the Central Sales Tax Act, 1956 have also been assigned to the States under Article 269 (1) (g) of the Constitution and the administration of the Central Sales Tax Act, 1956 has been entrusted by law to the States. The interpretation as to what constitutes "sale price" has therefore to be left to the decision of the authorities of state Government.

Applications from Non-Resident Indians Pending with R.B.I. for Purchase of Shares in Indian Companies

1797. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) the number of applications from the Non-resident Indians pending with the Reserve Bank of India for purchase of shares of Indian companies ; and

(b) the action being taken to clear all the pending applications ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) and (b) Information is being collected and will be laid on the Table of the House.

Strict Terms by World Bank for Financial Assistance

1799. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) Whether the World Bank is imposing more hard terms on India for financial assistance ;

(b) the details of the terms and the event to which these are acceptable to India ;

(c) the extent to which these terms would adversely affect India's development ; and

(d) the steps being taken to avoid these terms and to get financial assistance from the World Bank on normal terms and conditions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) No change in the terms of lending by World Bank has been made in the recent past except that the rate of interest has been reduced from 9.29% to 8.82% with effect from 1st July 1985.

(b) to (d) Do not arise.

Increase in Trade with African Countries

1800. SHRI V. TULSIRAM : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been increase in Trade with African countries situated south of Sahara Desert, during the past two years ;

(b) if so, the items of commodities exported to those countries together with the names of the countries ;

(c) the value of the each type of commodity that was exported and foreign exchange earned ; and

(d) the steps being taken to face the competition from other foreign countries in the near future ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) (a) Following are the figures of India's trade with South Africa :

(Rs. in crores)

	Exports	Imports
1982-83	952.79	168.67
1983-84	186.44	313.56

(b) and (c) Statements showing commodity-wise export figures for countries in the region for the latest available year are laid on the Table of the House.

[Placed in the Library See. No. LT/ 1295/85]

(d) Several measures including credit facilities, improving infrastructural facil-

ties and bilateral exchanges are undertaken for this purpose.

[Translation]

Geological Survey to Locate Coal and Iron ore Deposits in Adivasi Districts of Madhya Pradesh

1801. SHRI DILEEP SINGH BHURIA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any geological survey has been conducted to locate coal and iron ore deposits in Adivasi districts of Madhya Pradesh ; and

(b) if so, the names of the places where such deposits have been found ;

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE)
(a) and (b) Yes, Sir. As a result of surveys carried out by Geological Survey of India in Adivasi Districts of Madhya Pradesh following reserves of Iron Ore/ Haematite have been located :

Name of Adivasi Districts	Iron Ore reserves in (million tonnes)
1. Baster	1997.85
2. Durg	283.76
3. Khandwa	0.12
4. Khargaon	0.07
5. Sidhi	0.06

Similarly a total reserve of 23234 million tonnes of coal has been estimated in the coalfields of Pench-Kanhan, Tawa Valley, Patakhera, Sonhat, Umaria, Korar, Senddurgarh, Hasdo, Arand, Tatapani, Ramkolamand, Raigarh, Johilla Valley, Bisrampur, Jhilimili, Chirimiri, Korba, Sohagpur, Lakhapur and Singpauli falling in the Adivasi Districts of Chhindwara, Betul, Hosangabad, Surguja, Shahdol, Bilaspur and Raigarh.

Non-Co-operation of Banks in Advancing Loans Under Self Employment Scheme

1802. SHRI DILEEP SINGH BHURIA Will the Minister of FINANCE be pleased to state :

(a) whether Government have received complaints to the effect that banks are not co-operating in advancing loans to the needy persons under the Self-Employment Scheme ; and

(b) if so the remedial measures taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Complaints are received from time to time regarding difficulties faced by individuals in availing bank credit under the Scheme for providing Self-Employment to the Educated Unemployed Youth. The banks have been issued necessary instructions to expedite the disposal of loan applications. The banks are co-operating in the implementation of Scheme and have been sanctioning applications according to the target assigned to them.

[English]

Government Accommodation for Income Tax Officials

1803. SHRI B.B. RAMAIAH : Will the Minister of FINANCE be pleased to state

(a) whether the employees in the Income-tax Department having served for 10 years or so have not been allotted Government residential accommodation ;

(b) the average time taken by an employee in that Department to get Government accommodation ;

(c) the number of employees who have been in Delhi for more than six years but have not got Government accommodation ; and

(d) the steps taken or proposed to be taken to improve the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE : (SHRI JANARDHANA POOJARY) : (a) and (b) The position in this regard varies from station to station as also with reference to the type of accommodation to which the officers concerned are entitled.

(c) 1960.

(d) Besides the accommodation available to the officers and staff of the Income-tax Department in General Pool administered by the Ministry of Works & Housing, the Government have, during the last few years approved a number of proposals for the construction of residential quarters for the officers and staff of the Income-tax Department at various places, and process is a continuing one. Purchases of ready built flats from both the State Government authorities as well as private parties on a selective basis have also been made.

India's Position in World Cotton Market

1804. SHRI B.B. RAMAIAH : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that India's share in the world cotton market is dwindling;

(b) if so, reasons for the same and steps taken to improve the position;

(c) India's export of cotton to other countries in 1983-84 and 1984-85 and estimated exports in 1985-86; and

(d) names of countries to which India's cotton trade is on the increase ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) and (b) As cotton is the main raw material of the Textile Industry, most of the cotton produced in the country is used by the domestic textile industry. The varieties of cotton, the production of which is surplus to our domestic requirements are exported. Since the export of cotton depends upon domestic demand and supply

situation, there is year to year variation in exports. The exporting agencies try to secure the best price in export sales.

(c) The quantity of cotton export during 1983-84 and 1984-85 cotton seasons are as following :—

1983-84 — 3.54 lakh bales

1984-85 — 1.29 lakh bales (Upto June, 85)

It is not possible to forecast precisely the quantity of cotton which will be exported during 1985-86 cotton season.

(d) According to available information, the export of cotton to USSR, Romania, Poland, Bulgaria and Japan is generally on the increase.

Indian Garments in World Market

1805. SHRI B.B. RAMAIAH : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the names of the Indian Garments manufacturers who have established a world market for Indian garments;

(c) the total amount of annual foreign exchange earned by this trade; and

(b) the details of major foreign countries where Indian garments are a craze ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) Export-wise statistics of exports are not maintained.

(b) The exports during 1984-85 amounted to Rs. 943.73 crores. (Source : Apparel Export Promotion Council)

(c) Major markets for Indian Garments are USA, Member-States of EEC, USSR, Canada, Switzerland and Sweden.

Soft Credit to India by IDA

1806. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether a dollar 99 million soft credit to India has been approved by the International Development Agency (IDA) for building and upgrading minor public irrigation systems expected to raise production worth dollar 40 million a year in West Bengal;

(b) if so, when is this money expected to be made available to Government of West Bengal;

(c) whether Sunderbans are the most backward is also included in the districts in West Bengal where the project will be carried out; and

(d) its job potential and how far it will go towards improving the standards of farm families in the districts to be covered by the proposed project?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The project at full development, is expected to increase agricultural production by about US \$ 46.00 million annually.

(b) Additional Central assistance would be available to Government of West Bengal by the Government of India as per standard terms based on the actual credit utilized from time to time.

(c) The Project area extends over the entire State except for Calcutta and Darjeeling district. Site selection for project works would be undertaken by Committees at the State and District level in accordance with predetermined criteria.

(d) About 1,90,000 farm families comprising small and marginal farmers would benefit directly from the project. The project would generate an additional 47 million man days per year of farm labour employment, and project construction activities would generate about 20,000 jobs in construction employment.

Expansion of Iron ore Trade in European Countries

1807. SHRI K. PRADHANI : Will the Minister of COMMERCE be pleased to state :

(a) whether steps have been taken by Government to expand iron ore trade in the European countries;

(b) whether Minerals and Metals Trading Corporation (MMTC) officials have recently visited European countries for the above purpose;

(c) if so, what are the various European Countries visited by MMTC officials recently; and

(d) the details of the possibility explored and negotiation established to increase iron ore export to those countries ?

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

(b) to (d) Export of iron ore by MMTC among the European countries is mostly confined to Romania, Czechoslovakia, GDR, Hungary and Bulgaria.

For the propose of expending our iron ore trade in the European countries, MMTC remains in touch with various importers in the European countries. MMTC officials visited Romania in May, 1985 for holding preliminary discussions regarding quantum of iron ore and price for the fiscal year 1985. A MMTC delegation is again visiting Romania and Bulgaria currently.

Import of Coal During Seventh Five Year Plan

1808. SHRI K. PRADHANI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is proposed to import more coking coal during the Seventh Year Plan than hitherto to keep up the tempo of production in the steel plants;

(b) if so, the quantity of coking coal estimated to be imported during the current financial year and during the next year;

(c) the country of import and foreign exchange involved;

(d) the reasons why the Coal India Limited is not in a position to supply adequate quantity of coking coal to meet the requirement of the steel plant; and

(e) the steps being taken to produce more low-ash coking coal by the Coal India Limited?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI NATWAR SINGH): (a) to (e) Steel Authority of India Limited (SAIL) imported the following quantities of coking coal in the past:—

(in million tonnes)

Year	Quantity
1980-81	0.444
1981-82	0.648
1982-83	1.380
1983-84	0.463
1984-85	0.665

Steel Authority of India Limited expects to import approximately 1.5 million tonnes of coking coal in 1985-86.

The Working Group on coking coal availability during the VII Plan has worked out the likely domestic production of coking coal. Based on these projections of coking coal availability during the VII Plan, the Working Group on Iron and Steel has assessed that adequate quantities of domestic prime coking coal will not be available to achieve the hot metal production targets of the VII Plan. The shortfalls of prime coking coal availability has been identified as 0.438 million tonnes, 0.398 million tonnes, 0.577 million tonnes and 0.228 million tonnes during 1986-87, 1987-88, 1988-89 and 1989-90 respectively. The actual quantities of imports will depend upon actual coal production and hot metal production from year to year.

The countries from where coking coal will be imported will depend upon the contracts finalised. To meet a part of their requirements for 1985-86, Steel Au-

thority of India Limited have placed orders for import of 1.32 million tonnes of coking coal from Australia at an estimated value of US \$ 88.70 million.

Financing Bio Gas Plants by Commercial Banks and Financial Institutions

1809. SHRI K. PRADHANI: Will the Minister of FINANCE be pleased to state:

(a) whether some commercial banks and other financial institutions are financing the institution of bio-gas plants;

(b) if so, the name of the various commercial banks and financial institutions which are financing the installation of bio-gas plants; and

(c) the number of bio-gas plants installed in Orissa with the assistance from banks and financial institutions so far with details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b) Scheduled Commercial Banks, Cooperative Banks and Regional Rural Banks provide finance for the installation of bio-gas plants.

As at the end of March, 1985 the installation of bio-gas plants in Orissa aggregated 1513. According to the information available from NABARD the names of banks which are financing the installation of bio-gas plants in Orissa are as under:—

1. Orissa State Cooperative Bank.
2. Orissa State Cooperative Land Development Bank.
3. Regional Rural Banks—Rushikulya, Dhenkanal, Cuttack, Balasore, Koraput, Panchabati and Baitarani.
4. Scheduled Commercial Banks—Union Bank of India, United Commercial Bank, Syndicate Bank, Indian Overseas Bank, Canara Bank and Bank of India.

Opening of Branches of Allahabad Bank in Orissa

1810. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of Allahabad Bank functioning in different districts of Orissa;

(b) whether Government have a proposal to open more number of branches of Allahabad Bank in the country during 1985-86;

(c) if so, the number of such bank branches proposed to be opened in Orissa in the current financial year; and

(d) how many of them are going to be opened in Koraput district with details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As at the end of December 1984, there were 34 branches of Allahabad Bank functioning in Orissa.

(b) As on 31.12.1984, Allahabad Bank was holding 21 authorisations for opening branches in the country. The bank has been allowed time upto 30.9.85 for opening branches against pending authorisations.

(c) and (d) As on 31.12.84, no authorisations were pending with Allahabad Bank for opening branches in Orissa including Koraput District.

Rangarajan Committee Report on Computerisation

1811. SHRIMATI KISHORI SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have accepted Rangarajan Committee report on bank computerisation;

(b) if so, the cost of this project; and

(c) whether the Unions of Bank employees have agreed for the implementation of this report ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The 'Committee on Mechanisation in Banking Industry' constituted by Reserve Bank of India in July, 1983 under the Chairmanship of Dr. Rangarajan submitted its report in August, 1984 which was accepted by the Reserve Bank of India. Reserve Bank of India in consultation with Government of India have advised the banks to implement the recommendations.

(b) The total cost of the entire project (including cost of infrastructure etc.) for the phase I covering period 1985-87 has been estimated by the Committee at Rs. 150 crores.

(c) The Rangarajan Committee has kept in view the provisions of the Settlement of 8th September, 1983 entered into between the Indian Banks' Association and the major employees' unions on Mechanisation, while preparing its report.

Amount of Taxes Received From State of West Bengal

1812. SHRI SATYAGOPAL MISRA : Will the Minister of FINANCE be pleased to state :

(a) the details of amount received from the State of West Bengal by the Union Government as customs duties; excise duties, Incom Tax etc. and other resources during the year 1984-85; and

(b) the details of amount given by Union Government to the State Government of West Bengal during the year 1984-85 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A Statement is given below.

Statement

Amounts received from the State of West Bengal by the Union Government as Customs duties, Excise duties and various direct taxes during the year 1984-85

	Amount Received (Rs. in Crores)
I. INDIRECT TAXES	
(i) Customs duties	1014.02
Central Excise duties*	787.72*
II DIRECT TAXES	
(i) Income-tax including Corporation taxes	463.92 (provisional)
(ii) Interest tax	9.15 (provisional)
(iii) Wealth tax	9.71
(iv) Gift tax	0.95
(v) Estate duty	2.19

Amount given by the Union Government to State Government of West Bengal during the year 1984-85 :

AS SHARE IN CENTRAL TAXES

(i) Excise duties	369.73
(ii) Income-tax	98.74
(iii) Estate duty	3.91

OTHER ASSISTANCE

	(Rs. in crores)
1. Assistance for State Plan	42.75
2. Assistance for Supplement Plan	42.15
3. Assistance Outside Plan (Non-plan assistance)	436.00
4. Assistance for Centrally sponsored scheme	75.26
5. Assistance for Central Plan Scheme	22.65
6. Grant-in-lieu of tax on Railway Passenger Fares	2.00
7. Arrear Grant-in-aid towards upgradation of standards of Admn.	5.08

*Figures are inclusive of the data of the state of Sikkim and the Union territory of Andaman & Nicobar Islands

Demand of small coins in 1985-86

1813. SHRI SATYAGOPAL MISRA :
Will the Minister of FINANCE be pleased to state :

(a) whether the estimated demand of small coins in the country during 1985-86 would be more than 2000 to 2500 million pieces of different denominations;

(b) whether the estimated output for the year 1985-86 is placed at about 1600 million pieces; and

(c) if so, the remedial steps proposed ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. Reserve Bank of India has estimated the requirement of all coins during 1985-86 at 2,600 million pieces.

(b) Target of production for 1985-86 has been fixed at 2,000 million pieces.

(c) To meet the shortage, 2,000 million pieces of coins are being imported in 1985-86. As long term measure, a new Mint at NOIDA, Ghaziabad with a capacity of 1,500 million pieces is being established.

[Translation]

Request for extension of time for filling Income-Tax Return

1814. SHRI SHANTI DHARIWAL :
SHRI VISHNU MODI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any memorandum requesting extension of a period of three months beyond due date of 30th June, 1985 for filling income-tax returns on the ground of not understanding the provision relating to the audit process laid down under section 44 AB of the income-tax Act;

(b) if so, whether Government have taken any action so far in this regard; and

(c) if so, the details thereof; and if not; the reason therefor ?

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

(c) Central Board of Direct Taxes have issued Circular No. 422 dated 19th June, 1985 to the effect that the penalty proceedings under section 271B of the Income-tax Act, 1961 for failure to comply with the requirement of Section 44AB will not be initiated for assessment year 1985-86 in cases where :

(i) the audit report prescribed under section 44AB read with rule 6G has been obtained by 30th September, 1985; and

(ii) the self-assessment tax under section 140A of the Act has been paid within the normal period prescribed under section 139 (I) of the Act for filing return of income.

Non-Payment of bank loans to Villagers of Rajasthan

1815. SHRI SHANTI DHARIWAL :
Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to a news item captioned 'Sarkari Karzon Ke mare Rajasthan Ke Dehati' (Rajasthan villagers crushed under the weight of Government loan) appearing in the 'Navbharat Times' dated 30 May, 1985;

(b) if so, the action taken by Government against the officers of societies and Banks for non-payment of loans advanced to villagers of Rajasthan under the 20-Point Economic programme by the co-operative societies and banks;

(c) whether Government propose to conduct a survey to ascertain the causes of non-payment of loans by these villagers; and

(d) if so the details thereof and if not, the reasons therefor ?

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

(b) to (d) The complaint is essentially against the mode of recovery adopted by cooperative banks and primary agricultural credit societies. The State Government of Rajasthan has reported that there are instructions for not auctioning the land of weaker sections having overdues upto Rs. 2000/- without the prior permission of the Registrar, Cooperative Societies. The State Government, had launched a drive in September-October '84 under the supervision of Revenue Officers for the sorting out the complaints relating to bogus loans and non-payment of dues has reported that whenever cases of defalcation and other irregularities come to notice as a result of audit report or inspection, necessary action is taken against the delinquents. The State Govt. has stressed that good recovery is essential for keeping the cooperative banks in sound health.

Procedure for giving bank loans to small Industrial Units

1816. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether nationalised banks and other scheduled banks follow a very lengthy procedure in the matter of giving loans to small industrial units who have to spend a long time in completing the prescribed formalities;

(b) if so, whether Government are considering the question of simplifying the existing procedure for grant of loans to owners of small industrial units and propose to grant loan without insisting them for any type of security; and

(c) if so, by what time and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) and (c) With a view to further simplifying the procedure of sanctioning loan cases, the Reserve Bank of India have issued instructions to scheduled commercial banks from time to time. Some of the major instructions in this regard are as follows :

(i) for loans upto and inclusive of Rs. 25,000 the banks should not ask for collateral security or third party guarantee.

(ii) The banks should use standardised uniform sets of applications for SSI borrowers. These forms should also be made available in regional languages.

(iii) The Branch Managers should be vested with adequate discretionary powers so that a substantial portion of credit proposals are cleared at the branch level itself.

(iv) The banks should sanction credit limits upto Rs. 25,000 to the borrowers in the decentralised sector of industries as composite loan.

Take over of Textile Mills of Beawar and Vijayanagar (Rajasthan)

1817. SHRI VISHNU MODI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government had taken over some textiles mills of Beawar and Vijayanagar (Rajasthan);

(b) if so, the production capacity of these mills;

(c) whether these mills are not utilizing their full production capacity;

(d) whether these mills are also not working for full 7 days and in three shifts;

(e) if so, the steps taken by Government in this regard; and

(f) if not steps have been taken, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES

(SHRI CHANDRASHEKHAR SINGH) : (a) and (b) Government had taken over two mills in Beawar and one in Vijayanagar (Rajasthan). The capacity in each case is as under :

		Spindles	Looms
(1)	Mahalakshmi Mills	15640	400
(2)	Edward Mills, Beawar	19080	370
(3)	Shree Bijay Cotton Mills, Bijayanagar (spinning only)	17772	NIL

(c) The capacity utilisation in each case is as under :

	1984-85		May '85	
	Spg.	Wvg	Spg	Wvg
Mahalakshmi Mills	67.2%	78.7%	69.8%	78.3%
Edward Mills	68.8%	77.6%	76.2%	80.02%
Bijayanagar Mills	70.8%	—	74.4%	—

The power situation has affected the utilisation.

(d) to (f) During 1984, a decision was taken by NTC to run the mills in Rajasthan for 6 days a week, keeping in view the availability of cotton, power situation, commercial viability and market-conditions and the position is reviewed by NTC from time to time.

Opening of branch of S.B.I. at Vijay Nagar, Ajmer

1818. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any memorandum in regard to opening of a branch of State Bank of India at Agriculture Market, Vijaya Nagar, Ajmer.

b) if so, whether Government have taken any action in this regard;

(c) if so, the details thereof; and

(d) if no action has been taken, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) Suggestions have been received by the Government for opening a branch of the State Bank of India at Vijaya Nagar, District Ajmer, Rajasthan. Reserve Bank of India has reported that the above centre with a population of 15195 (1981 Census) is being adequately served by an office each of Central Bank of India and Bank of Rajasthan Limited and will not be able to sustain an additional bank office for the present.

[English]

Job to persons whose land was purchased or Acquired for New Coal Projects

1819. SHRI AJIT KUMAR SAHA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Union Government have received any letter from the Chief Minister

of West Bengal about the matter of providing jobs to those persons whose land was purchased or acquired for new coal projects;

(b) if so the salient features of the said letter;

(c) the reaction of the Union Government thereto; and

(d) the steps so far taken by Union Government on that letter?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) Yes, Sir. The letter dated June 7, 1985 dealt with the subject of providing employment in Eastern Coalfields Ltd. to those whose lands were acquired for Coal mining projects.

(c) and (d) A reply was sent to the Chief Minister, West Bengal on July 15, 1985 explaining the background to the present guidelines on the subject made applicable to all the subsidiary companies of Coal India Ltd and in particular the ECL.

Norms for Distribution of Imported Scrap Ships

1820. **SHRI AJIT RUMAR SAHA :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the norms for distribution of imported scrap ships in the demolition market by the Metal Scrap Trade Corporation;

(b) whether any change was made recently in the said norms;

(c) if so, the details of the said changes with reasoning of the same;

(d) whether the said changes were made in consultations with relevant parties;

(e) if so, the details of consultations made in this matter; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) According to the guidelines for distribution of imported scrap ships for the year 1985-86 as far as possible all registered shipbreakers will be eligible for allotment of a uniform tonnage. If, however, adequate ships of identical tonnage are not available and some shipbreakers are initially allotted vessels of sarger tonnage than others, the excess tonnage will be adjusted in subsequent allotments made to him during a cycle of 24 months.

(b) and (c) During the last year the norms for distribution were to allot one vessel per unit to all the shipbreaking units according to the available draft at site where the shipbreaker was located. Current year's guidelines provide for uniform distribution in tonnage amongst all ship-breaking units, as mentioned in (a) above.

(d) to (f) The guidelines are framed by the Government in consultation with Metal Scrap Trade Corporation and after considerations received from interested parties.

Increase in Foreign Exchange Reserve

1821. **PROF. P.J. KURIEN :** Will the Minister of FINANCE be pleased to state :

(a) whether the foreign exchange reserve has registered an increase during the last six months;

(b) if so, the details thereof;

(c) whether this increase is mainly due to the increase in remittances from the non-resident Indians; and

(d) if so, the further steps being taken to boost the remittances from abroad?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) The foreign exchange reserves (excluding Gold & Special Drawing Rights) which stood at Rs. 6250.3 crores on 31st December, 1984 went up by Rs.

429.5 crores to Rs. 6679.8 crores as at the end of July, 1985.

Accruals in the country's Foreign Exchange Reserves result from all foreign transactions including remittances from Indians abroad. Analysis of receipts on different accounts for this period is not readily available. The steps taken to attract flow of funds to India are reviewed from time to time and appropriate remedial measures are adopted as and when considered necessary.

[*Translation*]

Covering budgetary deficit by improved Tax collection

1822. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) whether Government intend to cover the budgetary deficit essentially by improved tax collection; and

(b) if so, the details of the measures taken so far and the result achieved ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Government is quite earnest in improving tax collection and thus covering the budgetary deficit at least partially.

(b) The important measures taken so far for improved tax collection are :

(i) ensuring better tax compliance;

(ii) curbing evasion/avoidance/smuggling;

(iii) realisation of arrears of taxes;

(iv) taking prompt action on court decisions in Department's favour for collecting taxes;

(v) expediting finalisation of court cases blocking revenue to the Government;

(vi) diversion of staff so as to enable

concentrated attention to be given to cases involving high revenue, etc.

[*English*]

Distribution of Money by NABARD to Darjeeling Tea Growers

1824. SHRI SUDHIR ROY : Will the Minister of COMMERCE be pleased to state :

(a) whether Darjeeling tea which is a good foreign exchange earner is facing serious difficulties because of low productivity ;

(b) whether it is a fact that out of proposed Rs. 40 crores outlay for the rejuvenation of tea gardens of Darjeeling, only, Rs. 32 lakhs have so far been distributed by the NABARD ; and

(c) the steps proposed to be taken to revitalise this industry ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) (a) to (c) The tea industry in Darjeeling has been beset by a number of problems because of topography and agro-climatic factors. The Darjeeling tea industry has lower productivity because most of the tea bushes in the area are very old and are well past the prime of their productivity. In order to revitalise the industry, an interest subsidy scheme with a total outlay of Rs. 43 crores over a 10 year period has been sanctioned by the Government. So far 29 schemes involving bank finance of over Rs. 7 crores have been sanctioned by NABARD. Initial disbursement by Commercial banks is of the order of Rs. 35.60 lakhs.

[*Translation*]

Proposal to Establish Headquarters of Coal and Mines Department in Bihar

1825. SHRI KALI PRASAD PANDEY : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the maximum quantity

of coal consumed in the country is obtained from Dhanbad, Jharia, Bokaro and other mines in Bihar ;

(b) if so, the reasons for not establishing headquarters of the coal and mines department in Bihar ;

(c) whether Government propose to establish headquarters of the coal and mines department in any one of the main cities (Dhanbad, Jamshedpur, Bokaro, Hatia, Ranchi) of Bihar ; and

(d) if so, by what time and if not, the difficulties being faced by Government in this regard ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) Yes, Sir. Among the Indian states producing coal, Bihar ranks first. It contributed 38.8% of the total coal produced by Coal India Limited during 1984-85.

(b) to (d) There is no proposal for establishing the headquarters of Coal and Mines Departments or of Coal India Limited in Bihar. There are two coal producing subsidiary companies of Coal India Ltd, in Bihar, namely, Central Coal fields Limited, with Headquarters at Ranchi and Bharat Coking Coal Ltd., with Headquarters at Dhanbad. Besides, another subsidiary of Coal India Ltd., namely Central Mines Planning & Design Institute Ltd., with headquarters at Ranchi is also functioning in Bihar. Coal India Ltd., the holding company, with its headquarters at Calcutta, is coordinating the functions of the subsidiary companies. As such, the question of establishing the headquarters of Coal India Limited, in Bihar does not arise.

[English]

Indo-French Protocol for Development of Indian Coal Industry

1826. SHRI BALASAHEB VIKHE PATIL : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that recently an Indo-French Protocol was signed for

development of the Indian Coal Industry ;

(b) If so, the specific schemes that are going to be covered by this protocol ;

(c) the extent to which the protocol is expected to assist us in modernising the coal mines ;

(d) whether there is any provision for better cleansing of ash contents ; and

(e) if so, the details thereof ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir.

(b) The following Coal Mining Projects are covered by the Protocol :

(1) Ananta UG (2) Nandira UG (3) Kendwadih UG (4) Chora (5) East Katras (6) Parassea (7) Moira (8) Tirap-Ledo (9) Amlabad (10) Godavari Khani 10. Incline

The French side have also been requested to tender their advice on the technology proposed in the feasibility report of the Kottadih UG mine prepared by the Central Mines Planning and Design Institute Limited, Ranchi.

(c) The French have developed technology to extract coal from thick coal seams. Almost all the coal mining projects proposed to be developed with French collaboration involve extraction of coal from thick seams.

(d) and (e) The French side have been requested to prepare techno-economic appraisals of the different alternatives for cleansing the ash contents of coal from Ananta UG mine.

Release of Imported Rubber to Actual Users

1827. SHRI P.A. ANTONY : Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of imported rubber released to actual users upto July 1, 1985 ; and

(b) the quantity scheduled for release after July 1, 1985 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) A quantity of 4,500 tonnes was allocated to the actual users during the month of June, 1985.

(b) A quantity of 16,450 tonnes is scheduled for release from 1st July 1985.

World Bank Assitance for Projects in Orissa

1828. SHRI ANADI CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) the details of projects executed/being implemented in Orissa with World Bank assistance and proposed to be assisted ;

(b) the steps taken to monitor the timely implementation, proper utilisation of funds of different projects being financed by the World Bank in the country ; and

(c) whether Government are contemplating/received proposals from State Government of Orissa to secure World Bank assistance in developing the cities of Orissa, particularly Cuttack and Jaipur Towns, providing drinking water, drainage etc. in view of the State Government's

ability and outstanding record of implementing projects and growth rates ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) A list showing the details of World Bank assited projects in Orissa is given below.

(b) Monitoring of World Bank projects is undertaken by the Department of Economic Affairs to ensure proper utilisation of funds of the different projects. Whenever it comes to the notice of the Government of India that any project is lagging behind, the project authorities and State Governments are alerted to improve utilisation.

(c) We had received from the Government of Orissa five project profiles for water supply/sewerage in Sambalpur, Cuttack and Bhubaneshwar. These project ideas are being examined by concerned Ministries of the Government of India from the technical point of view. Because of limited IDA/IBRD resources and their prior commitments, it is unlikely that these projects may be taken up for World Bank group financing in the next 2-3 years. We have also received a request from the Government of Orissa for including a component to protect Cuttack city from flood havoc in the line of credit under the on-going Mahanadi Barrages Project. The techno-economic feasibility of this component is being examined with a view to deciding whether the project can be taken for posing to the World Bank.

Statement

List of World Bank Assisted Projects in Orissa vide part (a) of the Lok Sabha Unstarred Question No. 1828 for 2.8.1985.

In US \$ million
Amounts of assistance

S1. No.	Name of the project	IDA	IBRD
1.	Upper Indravati Hydro-electric Project	170.00	156.4
2.	Salandi Irrigation project	8.00	—
3.	Orissa Irrigation project	58.00	—

4.	Mahanadi Barrages	83.00	—
5.	Orissa Irrigation-II	105.00	—
6.	Orissa Agricultural Development project-I	20.00	—
7.	National Agricultural Extension project]	10.6	—
8.	* Multi-state Second National Seeds	*16.00	—
9.	* Multi-state Inland Fisheries	*20.00	—
10.	* Multi-state Cashewnut Project	*22.00	—
11.	* Multi-state NCDC-III project (Central Sector)	*220.00	—
12.	* Multi-state NCDC-I	*30.00	—

Production in Rourkela Steel Plant

1829. SHRI ANADI CHARAN DAS : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the production in the Rourkela Steel Plant has gone down considerably ;

(b) if so, the details of production downfall ;

(c) the steps taken/proposed to be taken to arrest the fall in production ; and

(d) the steps taken/ proposed to be taken for renovation and technological upgradation of the Rourkela Steel Plant, in details ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI NATWAR SINGH) : (a) and (b) Production of saleable steel in Rourkela Steel Plant during the last two years and in the current year (April-June 1985) has been as under :-

Year	Production (in lakh tonnes)
1983-84	8.63
1984-85	10.13
1985-86	1.04

(April-June, 1985)

The fall in production during the current year (April-June, 1985) has been due to the severe power restrictions imposed by Orissa State Electricity Board resulting in loss of production of saleable steel to the extent of 146,800 tonnes during this period.

(c) To overcome the shortage, supply of power has been obtained from Andhra Pradesh Electricity Board from end June, 1985. As a long term measure, a captive power plant of 120 MW is being set up at Rourkela.

(d) A scheme for renovation and technological upgradation of Rourkela Steel Plant has been formulated and is presently under consideration of the Government. An investment decision on the scheme will be taken after the VIII Plan allocations of the steel sector are finalised.

British Technology for Minting Small Coins

1830. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to use British technology for minting small coins in the country ; and

(b) if so, the reasons thereof ?

* This is a multi-state project in which Orissa is also a beneficiary. The amount of assistance is for the project as a whole and the share of Orissa is not earmarked for any project.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) There has been no decision to use British technology for minting small coins in the country. However, Government have recently imported 22 Coining Presses from M/s Verson International Limited, U.K., as part of the modernisation programme of the Mints.

Nationalisation of Sick Textile Units

1831. SHRI CHINTAMANI PANIGRAHI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

- (a) the number of sick textile units nationalised during 1984 ;
- (b) The number of sick units which have been nationalised during 1985 (upto June, 30);
- (c) the financial and other help rendered during 1984 and 1985;
- (d) whether there are any units which could run properly with the timely assistance rendered by Government ;
- (e) the number of such units; and
- (f) the details, if any ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) to (c) The Central Government have not nationalised any cotton textile unit during 1984-1985 (upto June 30). Since no unit has been nationalised during this period, the question of giving financial and other help does not arise.

(d) to (f) As per the new Textile Policy, the measures needed for the revival of each sick/closed unit have to be based on a detailed and objective study of the causes that led to its sickness and identifications of the steps necessary to revive the sick unit. In the case of potentially viable units suitable financial package would need to be worked out. A nodal agency would be designated to evolve and manage this package.

Stocks in Central Public Undertakings

1832. SHRI D.B. PATIL : Will the Minister of FINANCE be pleased to state :

- (a) the names of Central public undertakings which had stocks of more than 60 days' production on 31st March, 1985;
- (b) the value of such stocks of each enterprise ; and
- (c) the reasons for having such big stocks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The accounts of the public sector enterprises for 1984-85 are in various stages of finalisation and auditing. As such the information desired is not available at this stage. The figures of stocks, value of production etc. in respect of each enterprise is provided in the "Public Enterprises Survey" which is laid on the Table of the House annually. For the year 1984-85 the Survey is expected to be ready by the next Budget session and it will provide the details regarding stocks etc.

Selection of Tribal Villages

1833. SHRI GIRIDHAR GOMANGO : Will the Minister of FINANCE be pleased to state :

- (a) the guidelines issued by his Ministry to the States, Union Territories regarding selection of tribal villages and preparation of schemes to be assisted by the Tribal Development Division on the basis of the Eighth Finance Commission's recommendations;
- (b) State-wise, the villages to be identified and identified so far ;
- (c) from which year the village Development programme will be started ; and
- (d) funds to be provided by his Ministry for the above programme and the procedure to be followed for releasing the funds therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to the guidelines issued to the States (Union Territories were not covered by the recommendations of the Commission) priority is to be accorded in the matter of provision of facilities in the tribal villages in the fields of health, education and communications. The States have been requested to prepare Action Plans and forward them to the Ministry of Finance for clearance.

(b) A statement is given below.

(c) The Scheme for provision of infrastructural facilities in tribal villages is operative from 1985-86.

(d) A total assistance of Rs. 38.45 crores will be provided to States from 1985-86 to 1988-89 for provision of infrastructural facilities in tribal villages. 25% of the total cost of the scheme will be paid in 1985-86 on 'on account' basis. The release of the remaining amount will be with reference to the progress achieved.

Statement

Statement showing the number of tribal villages (Statewise) to be selected and the number identified by the States so far, for the provision of infrastructural facilities referred to in the answer to part (b) of Lok Sabha Unstarred Question No. 1833 for answer on 2nd August, 1985

State	No. of Villages	
	To be selected	Identified so far
1. Andhra Pradesh	65	65
2. Assam	37	
3. Bihar	157	
4. Himachal Pradesh	5	5
5. Kerala	3	3
6. Madhya Pradesh	214	214
7. Manipur	13	
8. Orissa	184	
9. Rajasthan	42	
10. Sikkim	1	
11. Tripura	5	
12. Uttar Pradesh	1	1
13. West Bengal	42	
Total	769	288

Overstaying by Foreign Experts in India

1834. SHRI MANIK REDDY : Will the Minister of Finance be pleased to refer to the recommendation contained in paragraph 1.24 of the 26th Report of the Public Accounts Committee of Parliament (1980-81) regarding assessment of foreign technicians and state :

(a) the steps taken in pursuance of further recommendations of the Public Accounts Committee contained in paragraphs 1.9, 1.10, 1.11 of their 79th Report (1981-82) (Action Taken Report on the 26th Report) reiterating their earlier recommendation ?

(b) whether it is a fact that many foreign experts after completion of training of their counterparts in India have been overstaying here inspite of the guidelines of Government in that respect ;

(c) the number of foreign experts who

have stayed in the country for over five years and the reasons thereof ; and

(d) whether Government are aware of the involvement of some such experts in activities prejudicial to the interest of the country and if so, the details thereof and the action taken or proposed to be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJJARY) : (a) Details of steps taken in pursuance of the recommendations of the Public Accounts Committee, are given in the Statement below;

(b) No such case has come to the notice of the Government.

(c) Information in this regard is not being maintained.

(d) No such case has come to the notice of the Government.

Statement**PARA 1.9****STEPS TAKEN**

The Committee regret the lackadaisical attitude shown by the Ministry in regard to the question of collecting data of employment of foreign technicians to enable formulation of a policy for employment of such technicians keeping in view the growing technical skills within the country. As pointed out by audit, in the absence of such a policy there have been cases of approvals being denied by the Ministry to employment of technicians or to such proposals being qualified by the words 'without any tax concessions' much after the technicians have been employed. It has been further pointed out that the procedures and forms for approval prescribed do not demand that it would be made clear as to who will make the payment of income-tax dues without any concession under Section 10(6) (viiia) i.e. whether the technician or the Indian Party or the foreign employer, if any, would bear the tax liability and the quantum thereof.

The entire position as to the scope and extent of the exemption available to the foreign technicians was reviewed comprehensively in 1969. This was done after collecting available information from the concerned administrative Ministries. Pursuant to that, several changes in the scheme of tax exemption of remuneration of these persons were proposed and enacted through the Taxation Laws (Amendment) Act, 1970. These amendments were made primarily with a view to reducing the dependence of Indian industry on foreign technicians in fields where qualified and experienced Indian technicians were available. The changes effected by the amendments to the Income-tax Act through the Taxation Laws (Amendment) Act, 1970 are summarised below :

(i) The definition of 'foreign technician' was amended in the two directions. Firstly, it was enlarged to cover foreign technicians with specialised knowledge

PARA 1.9

STEPS TAKEN

experience in the fields of agriculture, animal husbandry, dairy farming, deep sea fishing and ship building with a view to enabling the employment of foreign experts in these fields for the development of our food resources and our ship-building industry. Secondly, industrial or business management experts and also persons having specialised knowledge and experience in distribution of electricity or any other form of power (as distinct from generation) were excluded from the purview of the term "technician".

(ii) Both the extent and period of availability of the tax exemption were curtailed. Earlier, the entire remuneration received by a foreign technician was exempt from tax for a period of 36 months. Further, where the foreign technician continued in employment in India after the expiry of 36 months period from the date of his arrival in India and his employer paid the tax due on his salary income to the Government, the perquisite represented by the payment of his tax dues by the employer was exempt from tax in the hands of the technician for a further period of 60 months. Thus, a foreign technician enjoyed full or partial exemption from tax for a period of 8 years. In relation to foreign technicians who enter employment in India after 31.3.1971, the amount of remuneration qualifying for tax exemption was limited to Rs. 4,000 per month only. The period of tax exemption was also curtailed from three years. In cases where the foreign technician continued in employment in India beyond the initial period for which his remuneration was exempt and the tax on his remuneration was paid by the Indian employer, the period of exemption of the perquisite represented by the tax paid by the employer was reduced to 24 months as against 60 months under the earlier law.

(iii) The categories of enterprises or agencies which may employ foreign technicians and obtain tax exemption were enlarged for the purpose of the tax concessions available to them to cover approved scientific research institutions and bodies.

PARA 1.9

STEPS TAKEN

(iv) Approval of the contract of service by the Government was made compulsory in all cases as against the previous position when the foreign technician could get exemption generally for a period of one year without any such approval.

Earlier, in September, 1957, the Committee on Economic Secretaries considered the operation of the provisions relating to tax exemption of foreign technicians in India and, as per their directives, the Ministry of Finance issued guidelines to all the Ministries which provided that a foreign technician is to be employed only if;

- (a) the employment of the foreign technician is unavoidable having regard to the special needs of the project on which he is going to work and the technician's special qualifications ;
- (b) Indian personnel with the requisite qualifications and experience are not available ;
- (c) satisfactory arrangements have been made for the training of Indian personnel under the foreign technician so that they take over before the expiry of the service of the foreign technician ;
- (d) the salary allowed is reasonable after making allowance for any increase that may be necessary by way of inducement to leave home country ; and
- (e) the fact that the foreign technician may not pay tax on his remuneration either in India or his home country is borne in mind.

Thus, as per the guidelines mentioned above, before the administrative Ministry can approve the contract of service of a foreign technician, they have to satisfy themselves that the conditions stated above are fully complied with. This could be done only by consulting their technical advisers.

PARA 1.9

STEPS TAKEN

Based on the advice of the technical authority, the administrative Ministry approves or rejects the appointment of the foreign technician. As such, it will be for the administrative Ministry to decide whether any exemption is to be given or not. If they decide that such exemption is not to be given, the technician will have to pay tax under Indian tax law like any other non-resident.

The wording of the law is quite clear as to the person who has to make the payment of tax in case exemption under section 10(6) (via) is granted by the administrative Ministry. In such cases, the tax on the remuneration in excess of Rs. 4,000/- per month is to be paid by the technician himself. But the employer has the option to pay the tax on behalf of the technician without attracting the provisions of tax on tax. The law in this respect has also been clarified to all Ministries. In cases, however, where no such exemption has been granted under the aforesaid section, the normal provisions of the Income-tax Act applicable to non-residents would apply. The case of a foreign technician would be no different from that of an Indian employer where the contract of service has not been approved.

PARA 1.10

The Committee had also pointed out that the relevant provisions in respect of the tax concessions given to foreign technicians are rather complicated and need to be rationalised and simplified in the interest of proper administration. The reply furnished by the Ministry does not spell out the precise action taken by Government on this recommendation. The Committee would therefore like to be apprised of the results of the study, if any, undertaken by the Ministry in this regard.

All administrative Ministries were requested to forward copies of sanction letters issued by them in regard to appointment of foreign technicians to the Directorate of Inspection (Research, Statistics and Publications) functioning under the Central Board of Direct Taxes. It is now proposed to review the present system in consultation with the concerned administrative Ministries with a view to consider feasibility of further simplification of the existing provisions.

PARA 1.11

As recommended earlier, the Ministry of Finance must also take upon itself the responsibility of maintaining the detailed record of particulars of contracts of

As already started in regard to Para 1.10 above, the Directorate of Inspection (Research, Statistics and Publications) were asked to maintain a detailed record

PARA 1.11

STEPS TAKEN

service of foreign technicians so that all relevant information is available at one place and any deviation from or violation of policy instructions/guidelines regarding the employment of such technicians can be easily detected.

of the particulars of sanctions issued for employment of foreign technicians. Besides, instructions already exist whereby income-tax officers should examine carefully whether the conditions laid down in section 19 (6) (viia) of the Income-tax Act, are satisfied *before* granting the benefit to the foreign technicians even when the concerned Ministry had earlier given a formal approval.

Export of Goods to South Africa

1835. SHRI V. TULSIRAM :
DR. G.S. RAJHANS :
DR. CHANDRA SHEKHAR
VERMA ;

Will the Minister of FINANCE be pleased to state ;

(a) whether attention of Government has been drawn to the news item captioned "Two held for exporting goods to South Africa" appearing in the Times of India dated 1 July, 1985 ;

(b) if so, particulars of the persons involved therein and name of the shipping companies through which the goods were exported to South Africa ; and

(c) the details of action taken/proposed to be taken against all the defaulters ?

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

(b) and (c) Reports received by the Government indicate that on 29th June, 1985, Sri Taro Vazirani, Director, M/s Arabee Shipping Company Pvt. Ltd., agents of M/s Gold Star Line registered in Hong-kong, whose ships were being used to carry cargo, exported from Bombay, to South Africa by manipulation of shipping documents and Sri Nairain Baheti, Director, M/s Akai Impex Pvt. Ltd., Bombay, who had exported goods actually destined for South Africa, were arrested under the provisions of the Customs Act, 1962.

As a follow-up action, premises of other parties suspected to be engaged in exports to South Africa were searched on 3.7.1985. In this connection, 8 persons belonging to 7 export firms were arrested on 4.7.1985. The ship 'M.V. Atair' belonging to M/s Gold Star Line and the goods actually destined for South Africa taken on board of the vessel in 45 containers from Bombay were detained at Cochin while on way to Colombo. The ship was released on a bond of Rs. 9 lakhs, backed by a bank guarantee on 13.7.1985.

As the case is under investigation, it will not be expedient to disclose further details at this stage.

Export of Milk to Middle East Countries

1836. SHRI V.S. KRISHNA IYER : Will the Minister of COMMERCE be pleased to state :

(a) whether India is exporting milk to Middle East countries ;

(b) if so the quantity of milk exported during the last three years ;

(c) names of the States which are exporting milk to Middle East countries ; and

(d) the foreign exchange earned in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) No, Sir. Under the current policy of Exports, Milk is not allowed for exports.

(b) to (d) Do not arise.

Board for Revamping Sick Units

1837. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether Government have a proposal under consideration to set up a Board for revamping sick units in the country; and

(b) if so, the details of the proposal ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A legislation for establishing a Board for Industrial and Financial Reconstruction to deal with sick industrial concerns is under consideration of the Government.

12.00 hrs.

PROF. SAIFUDDIN (Baramulla) : I have to bring to your notice a human problem.

MR. SPEAKER : One by one, I will listen to your points of order, if there are any. Yes, Mr. Acharia ?

SHRI BASUDEB ACHARIA (Bankura) : A delegation from Ecuador, they are staying (*Interruption*)

MR. SPEAKER : I have already taken this think up. I have already taken it up.

SHRI BASUDEB ACHARIA : They have been staying in London.

MR. SPEAKER : I have got your intimation. There is no point of order. I am already committed to you. I talked to you. I have got this Calling Attention Motion. I have already asked for facts. Whenever they come I will get it discussed on the floor of the House.

SHRI BASUDEB ACHARIA : At least the Home Minister should make a statement.

MR. SPEAKER : I will get it discussed. No, the Home Minister will not come into this. It is the Foreign Minister.

SHRI BASUDEB ACHARIA : It is a very important issue.

MR. SPEAKER : I am taking it up. Yes, Guptaji ?

SHRI INDRAJIT GUPTA (Basirhat) : It is an important matter to be examined.

MR. SPEAKER : Yes, I know the seriousness. Mr. Tewary, I have also taken your note into consideration.

SHRI BASUDEB ACHARIA : Will you allow Call Attention ? At least the Home Minister should make a statement on this issue.

MR. SPEAKER : Why ? The Home Minister is not concerned with it. Not allowed.

SHRI INDRAJIT GUPTA : I would like to know whether you have taken any decision regarding, how this House is to be allowed to discuss that particular question, of the Supreme Court judgment on Article 311 (2) regarding Government employees.

MR. SPEAKER : I have already told you. But there is only one way, and that is to amend the Constitution. We discussed it yesterday in the Business Advisory Committee and I have allowed some mention by Mr. Dandavate today.

SHRI INDRAJIT GUPTA : Mere mention will not do.

MR. SPEAKER : I have already allowed a mention. Whatever comes I will allow it. He has drawn the attention. I will see. We will discuss it again. And whatever comes we will let you know.

SHRI INDRAJIT GUPTA : Is the House not to express its opinion on this ? Let the Government come out with its reaction.

MR. SPEAKER : I do not know.

SHRI INDRAJIT GUPTA : Will you give some (*Interruption*)

MR. SPEAKER : I have already told

you that the Constitution has to be amended.

PROF. SAIFUDDIN SOZ : There is a complaint about 3,000 people from Jammu and Kashmir State who were going to Haj Pilgrimage.....(Interruption)

MR. SPEAKER : Have you given something in writing?

PROF. SAIFUDDIN SOZ : Kindly listen to me, Sir. My senior colleague Shrimati Akbar Jahan Begum and myself, we received a complaint.

MR. SPEAKER : Not like this. You give it to me in writing.

PROF. SAIFUDDIN SOZ : I am coming from that place. There are no fans. There is no water.

MR. SPEAKER : Mr. Soz, you have to give it to me in writing. Not like this. Not allowed.

(Interruptions)

PROF. SAIFUDDIN SOZ : I am not discussing anything Ugrawadi. Kindly listen to me.

MR. SPEAKER : That is what I am saying. You kindly listen to me.

PROF. SAIFUDDIN SOZ : You please listen to me.

MR. SPEAKER : My dear hon. Member, I am going to listen to you. But first you have to listen to me. What I am telling you is, you have to give something in writing so that I can do something.

PROF. SAIFUDDIN SOZ : This is a problem which I have just now come across.

MR. SPEAKER : What can I do?

(Interruptions)

PROF. SAIFUDDIN SOZ : We went there. Three thousand people are in tin sheds here in Delhi, in Kotla Lane and I was assaulted. There are no fans, there is no water.

PROF. MADHU DANDAVATE (Rajapur) : He is saying that he was assaulted when he went to talk to them.

MR. SPEAKER : That is what I say. He has to give me in writing. Not allowed.

(Interruptions)

MR. SPEAKER : Mr. Soz, I want something in writing. You listen to me.

PROF. SAIFUDDIN SOZ : You kindly listen to me. It is a very serious matter. I was assaulted. I will give you in writing; but you please listen to me. My life was in danger. Kindly listen to me for a minute. Akbar Jehan Begum Sahiba and myself received complaints that about 3,000 Hajis were in great plight. So, we went there. When we went there, we saw that they were in tin sheds.....(Interruptions)

MR. SPEAKER : I cannot allow like this.

PROF. SAIFUDDIN SOZ : They arrived in Delhi. They were dumped like cattle in three tin sheds. There was no running water... (Interruptions)

MR. SPEAKER : I cannot allow it. This is wrong.

PROF. SAIFUDDIN SOZ : When I explained this to the Chairman I was assaulted. Two goondas came forward to assault me. My life was in danger.....(Interruptions)

MR. SPEAKER : Not allowed.

(Interruptions)**

MR. SPEAKER : Mr. Soz, be calm. Let us see how this thing has developed. If you do not let me have it, how can I have a remedy for it? I have to protect you, I have to protect your privilege, I have to protect your sentiments. But you have to give me something in writing.

**Not recorded

PROF. SAIFUDDIN SOZ : I will give in writing.

MR. SPEAKER : Give it to me and I will take action.

(Interruptions) *

MR. SPEAKER ; Not allowed. This agitational mood will not get you anywhere. You are unnecessarily taking your time as well as the time of the House. When I say that I sympathise with you, let me have something so that I can proceed with that.

(Interruptions)

SHRI PRIYA RANJAN DAS MUNSI (Hawrah) : A few Members of this House including Mr. Tewary have been threatened by extremists through letters....

MR. SPEAKER : I have already talked to Mr. Tewary. I am seized of the situation. We will always be having this non-sense some time or the other. I am already seized of the situation and I have got a copy of that letter from Mr. Tewary. I will take whatever action is necessary.

SHRI PRIYA RANJAN DAS MUNSI : Has Home Minister taken cognisance of this or not ?

MR. SPEAKER : But I have taken cognisance.

SHRI BRAJAMOHAN MOHANTY (Puri) : The national anthem is being done away with everywhere in Kerala. In a particular school, *Jana gana mana adhinayak* is not being sung because it is in a provincial language—Bengali.

MR. SPEAKER : I will get the facts. You come to me.

SHRI BRAJAMOHAN MOHANTY : This is a very serious matter and you have to protect.....

MR. SPEAKER : I will see to it.

**Not recorded.

[Translation]

SHRI BIRINDER SINGH (Hissar) : Sir, there was an air crash of a fighter aircraft of the Indian Air Force in Srinagar. Prior to that there was another air crash. This accident is serious from the defence point of view.

MR. SPEAKER : I shall see.....

SHRI BIRINDER SINGH : Sir, I have also given a notice of Calling Attention on this subject. This is a serious matter.

[English]

MR. SPEAKER : You give me something. I will consider that.

SHRI SAIFUDDIN CHOWDHARY (Katawa) : I have given you a notice under rule 193 regarding repeated incidents of ignoridg indigenous technology in favour of foreign technology...

MR. SPEAKER : Business Advisory Committee will discuss it.

SHRI M. RAGHUMA REDDY (Nalgonda) : The inquiry against the Haryana Chief Minister....

MR. SPEAKER : You cannot discuss a Member who is the leader of the other House. It might be very embarrassing for others also.

PROF. K.K. TEWARY (Buxar) : I have given a notice. Here is a publication brought out by People's Union of Democratic Rights and People's Union of Civil Liberties. These two organisations are in the habit of holding so-called investigations into different matters. On Delhi riots they held an investigation of their own. They brought out a list of Congress (I) Members of Parliament from Delhi. They became targets of violence and terrorism. These fellows are CIA agents. These two organisations are being funded by CIA and they are in collusion with terrorists. Therefore, we demand..... (Interruptions)

MR. SPEAKER : I will look into it.

PROF. K.K. TEWARY : I lay it on the Table of the House.

MR. SPEAKER : You can give it over to me, not here. Not allowed.

(*Interruptions*)

MR. SPEAKER : As I listen to you, I will listen to them also....

(*Interruptions*)

MR. SPEAKER : Now take your seats. Why are you shouting all at the same time ? I will look into the matter.....

(*Interruptions*)

MR. SPEAKER : I am seized of the matter, I will look into it....

(*Interruptions*)**

MR. SPEAKER : No, not allowed...

(*Interruptions*)

MR. SPEAKER : Hon. Member, please sit down. Please take your seats....

(*Interruptions*)**

MR. SPEAKER : This is getting out of proportion. Now take your seats.

PROF. K.K. TEWARY : I am not going out of proportion, Sir.

MR. SPEAKER : I have listened to you. All the time if five or six people are shouting at the top of their voice, what do you gain ? I can get this thing looked into. I will refer it to the Home Ministry and if there is anything, then I will see to it.

PROF. MADHU DANDAVATE : Sir, I rise on a Point of Order on this.....
(*Interruptions*).

PROF. N.G. RANGA (Guntur) : Kindly give us an opportunity to discuss this matter.

MR. SPEAKER : We will see to it. I cannot say offhand.

**Not recorded.

PROF. MADHU DANDAVATE : Sir, in this House if there are a number of civil liberty organisations or any other organisation in this country; to be dubbed as CIA agent, would you allow it to go on record ?

MR. SPEAKER : It is their personal opinion. It is not my opinion, it is not the opinion of the House. Over-ruled.

(*Interruptions*)**

MR. SPEAKER : No, not allowed. I have not allowed anybody ..

(*Interruptions*)**

MR. SPEAKER : Please sit down, Professor Sahib....

(*Interruptions*)**

PROF. MADHU DANDAVATE : will give you a precedent...*Interruptions*).

[*Translation*]

MR. SPEAKER : This is not the way. It can be his personal opinion It can be his opinion.

[*English*]

PROF. MADHU DANDAVATE : So, it goes on record.

MR. SPEAKER : Yes, it goes on record because it is his personal opinion, not mine, not of the House. This is not unparliamentary. I don't think so.

PROF. MADHU DANDAVATE : If you allow civil liberties or any other organisation to be dubbed as CIA agents on the floor of this House then I want to tell you that when Jalianwala episode took place, there was a public enquiry that was conducted, and the Britishers said that these are anti-social elements...*(Interruptions)*

MR. SPEAKER : No, not allowed. Overruled....

(*Interruptions*)**

**Not recorded.

MR. SPEAKER : This is his personal opinion..

(*Interruptions*)*

MR. SPEAKER : So many people have been called CIA agents on the floor of the House....

(*Interruptions*)*

MR. SPEAKER : No, not allowed. I cannot gag anybody. This is not unparliamentary. So many people have been called CIA agents on the floor of this House —this one calling this side and this side. I am not concerned with it. This is not my opinion, this not the opinion of the House.

PROF. MADHU DANDAVATE : I only request you that you should advise people to be restrained otherwise I have also the liberty to call anybody as CIA agent. But it is not in good taste to allege the organisations that way, which are standing for civil liberties.....(*Interruptions*.)

MR. SPEAKER : Professor Sahib, this is for the Member to think. That is all. I always ask them to restrain themselves and to be within bounds, and also see that something that they say, should be relevant. Now Shri Poojary.

—

12.13 hrs.

PAPERS LAID ON THE TABLE

[*English*]

Public Provident Fund (Amendment) Scheme, 1985, Notification under Banking Regulations Act, 1941, and Customs Act, 1962 etc. etc.

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PATTAP SINGH) : Sir, no behalf of Shri Janardhana Poojary. I beg to lay on the Table—

**Not recorded.

(1) A copy of the Public provident Fund (Amendment) Scheme, 1985 (Hindi and English versions) published in Notification No. G.S.R. 598 (E) in Gazette of India dated the 22nd July, 1985 under section 12 of the Public Provident Fund Act, 1986. [Placed in Library. See No. LT-1243/85]

(2) A copy of Notification No. S.O. 558 (E) (Hindi and English versions) published in Gazette of India dated the 29th July, 1985 containing scheme for the amalgamation of Miraj State Bank Limited, Miraj with Union Bank of India issued under sub-section (2) of section 45 of the Banking Regulation Act, 1949. [Placed in Library, See No. LT—1244/85]

(3) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :—

(i) G.S.R. 612 (E) published in Gazette of India dated the 29th July, 1985 together with an explanatory memorandum regarding exemption to Low Density Polythylene moulding powder and granules when imported into India from the basic customs duty in excess of 60 per cent ad valorem.

(ii) G.S.R. 613 (E) published in Gazette of India dated the 29th July, 1985 together with an explanatory memorandum regarding revised rate of exchange for conversion of Pound Sterling into Indian currency or vice-versa. [Placed in Library, See No. LT—1245/85]

(4) (i) A copy of the Annual Report (Hindi and English versions) of the Export-Import Bank of India, Bombay, for the year 1984 along with Audited Accounts under sub-section (5) of section 19 and sub-section (5) of section 24 of the Export-Import Bank of India Act, 1981.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Export-Import Bank of India, Bombay, for the year 1984. [Placed in Library, See No. LT—1246/85]

[Shri V.P. Singh] :

(5) A statement (Hindi and English versions) on the results of the market loans floated in May, June and July, 1985. [Placed in Library, See No. LT—1247/85]

(6) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :—

(a) (i) A statement regarding Review by the Government on the working of the New India Assurance Company Limited, Bombay, for the year ended 31st December, 1984.

(ii) Annual Report of the New India Assurance Company Limited, Bombay, for the year ended 31st December, 1984 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library, See No. LT—1247/85]

(b) (i) A statement regarding Review by the Government on the working of the United India Insurance Company Limited, Madras, for the year ended 31st December, 1984.

(ii) Annual Report of the United India Insurance Company Limited, Madras, for the year ended 31st December, 1984 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library, See No. LT—1248/85]

(c) (i) A statement regarding Review by the Government on the working of the National Insurance Company Limited, Calcutta, for the year ended the 31st December, 1984.

(ii) Annual Report of the National Insurance Company Limited, Calcutta, for the year ended the 31st December 1984 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library, See No. LT—1249/85]

(d) (i) A statement regarding Review by the Government on the working of

the Oriental Insurance Company Limited, New, Delhi for the year ended the 31st December, 1984.

(i) Annual Report of the Oriental Insurance Company Limited, New Delhi for the year ended the 31st December, 1984 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library, See No. LT—1250/85]

Notification under Essential Commodities Act, 1955

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : I beg to lay on the Table a copy each of the following Notifications (Hindi and English versions) under sub-section (6) of section 3 of the Essential Commodities Act, 1955 :

(1) The Iron and Steel (Control) (Amendment) Order, 1985 published in Notification No S.O. 507 (E) in Gazette of India dated the 4th July, 1985.

(2) S.O. 508 (E) published in Gazette of India dated the 4th July, 1985 declaring that clauses 7 and 19 of the Iron and Steel (Control) Order, 1956 shall apply to the categories of steel and iron, or, as the case may be, scrap specified in the Schedule annexed to the notification and acquired by any person on or after the date of the said notification. [Placed in Library, See No. LT—1251/85]

—

12.14 hrs.

BUSINESS OF THE HOUSE

[*English*]

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI H.K.L. BHAGAT) : With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 5th August, 1985, will consist of ;

(1) Consideration of any item of Government Business carried over from today's Order Paper.

(2) Discussion on the Resolution seeking disapproval of the Terrorist and Disruptive Activities (Prevention) Amendment Ordinance, 1985 and consideration and passing of the Terrorist and Disruptive Activities (Prevention) Amendment Bill, 1985.

(3) Consideration and passing of :

(a) The employment of Children (Amendment) Bill; 1985.

(b) The Coffee (Amendment) Bill, 1985.

(c) The Indian Railways (Amendment) Bill, 1985.

(d) The Coal Mines (Conservation and Development) Amendment Bill, 1985, as passed by Rajya Sabha.

(e) The Unit Trust of India (Amendment) Bill, 1985.

(f) The Pondicherry University Bill, 1985, as passed by Rajya Sabha.

(g) The Standards of Weights and Measures (Enforcement) Bill, 1985, as passed by Rajya Sabha.

PROF. SAIFUDDIN SOZ (Baramulla) :
I request that the following items may be included in the next week's business in the Lok Sabha :

All peace-loving and patriotic people in the country have hailed the accord in Punjab. It is hoped that perfect peace will return to Punjab which has suffered a great deal during the past two and half years.

Since the J&K State's supply line passes through Punjab and there is no other link to Srinagar, the strife in Punjab had direct repercussions on the J&K State. Immediately, after the terrorist activity surfaced in Punjab, two or a half years ago, tourist traffic to Veshno Devi and

Kashmir dwindled. The number of visitors from abroad also decreased. The result has been that all the industries connected with tourism suffered heavy losses. Since tourism is the backbone of Kashmir economy, the entire economy suffered a great depression. The Central Government must assess the damage and compensate the economy.

SHRI V.S. KRISHNA IYER (Bangalore South) : I Will like to suggest the following item to be included in the agenda for next week business.

Bangalore City has been facing acute water scarcity due to failure of rains in the Thippagondanahalli catchment area.

To provide minimum water supply to the citizens of Bangalore City, the Cauvery III Stage Scheme costing Rs. 240 crores was taken on priority basis and will have to be completed in 1989.

The Government of Karnataka has requested the Central Government to secure World Bank loan of Rs. 80/- crores and also to sanction special grants to the Cauvery III Stage Scheme already started.

In addition to giving early clearance to the scheme, it is very necessary to provide World Bank loan assistance and special grants from the Centre immediately to lessen the water scarcity problem in Bangalore City.

I urge the Government to give top most priority to this scheme.

[Translation]

SHRI K.N. PRADHAN (Bhopal) : Mr. Speaker, Sir the following items may be included in the list of Government Business for the next week.

The business practices of the Peerless Company are against the public interest. This is the impression of not only the Government and the Reserve Bank of India but of the common citizen also. The Peerless Company have collected more than Rs. 500 crores from about 2 crore families in the country. Certificates worth Rs.

[Shri K. N. Pradhan]

134 crores have already lapsed. The Company has invested this amount in floating other companies so that Peerless Company could be declared sick in the near future and the huge amount belonging to the poor could be usurped.

The Employees' Association has also demanded that the Peerless Company should be nationalised immediately. Government should take early steps to take over the Company's management so that the Company is not able to do any mischief. In this way thousands of employees will be saved from becoming jobless and the interest of lakhs of certificate holders will be safeguarded.

Secondly, during the last session of the Lok Sabha, the Minister of Law had made an announcement that the service conditions of the subordinate judges were required to be improved, but no step has so far been taken in this regard. The Central Government should issue necessary directives to the State governments in this regard.

It is also necessary to create an All India judicial Service.

[English]

SHRIMATI GEETA MUKHERJEE (Panskura) : I want to raise the following two points for inclusion in next week's agenda :

(1) Disappearance of the two ships Nityaram and Nityanayak belonging to M/s. Maini Shipping Company with 40 members of crew aboard and the necessity of immediate handing over of the case to Central Bureau of Investigation for investigation.

(2) The necessity of re-issuing the circular for posting of the husband and wife team of the Government employees at the same place by the Ministry of Social and Women's Welfare and of pursuing the matter with various Government departments.

SHRI SOMNATH RATH (Aska) : I submit that the following matter may be included in the business of the coming week :—

Tourism is a modern phenomenon. Tourism has generated a number of social and economic benefits like promotion of international understanding, creation of employment opportunities, removal of regional imbalances, opening up of new growth centres in the interior of the country augmentation of foreign exchange earnings, exchange of trade and commerce and influence of new ideas and technology. In Art and Architecture, India excels all other countries. The famous temples and caves in Orissa, Maharashtra, Madhya Pradesh, U.P., etc., are the examples of the greatest works of Architecture. There is the Immortal Kornark Temple in Orissa, which is perhaps one of the greatest achievements which man has ever made. The other two temples of Orissa at Bhubaneshwar and Puri also attract tourists from all parts of the world; so also, Chilka lake and Gopalpur on Sea. In Ganjam district, Orissa, there ought to be a Tourist Complex on Gopal pur on Sea, hot spring at Taptapani, Jaogado near Purushotampur, black bucks freely roaming in Buguda area, the Sun Temple and Budhakhole at and near Buguda, the man-made lake at Bhanjanagar, the Forest Nursery on the mountain peak at Kalinga in Phulbani district to attract tourists from all over the world. In short, the temples, caves, monuments and edifices which are found in various parts of India can attract tourists for all times and for all seasons. The Government of India has made special provisions for the rapid development of Tourism. Yet, a lot remains to be done at National and State levels.

SHRI BASUDEB ACHRIA (Bankura) : Mr. Speaker, Sir, I would like the following subjects to be included in the next week's business :—

The necessity for a total review of the restrictions now obtaining for visit of foreigners to several picturesque spots in North Bengal has arisen, because of this restriction, the tourism industry in the State is suffering a lot. It is because the very existence of the irksome restrictions is dissuading the travellers from the different parts of the world to come to North Bengal for enjoying the scenic beauties of Eastern Himalayas. The recently held Himalayan Mountaineering and Tourism Meet in Darjeeling expressed high satis-

ments against this practice. We have observed a tremendous interest among the youth groups from abroad to enjoy adventurous treks on the picturesque routes of Sandakphu-Phalut and other places on Darjeeling. Mirik route which has been so highly acclaimed by foreign tourists during the Mountaineering Meet is also out of bounds for foreigners because of restrictive orders. The matter may be seriously pursued by the Ministry of Tourism, Government of India, with the Union Home Ministry.

There are nine industrial units in different parts of the country engaged in manufacture of wagons. Of these, four units, viz., Braithwite, Burn Standard (two factories), Jessop and Texmaco are located in West Bengal. The production in these units covers about 70 to 75 per cent of the total capacity for production of railway wagons in the country.

The entire wagon industry is faced with an imminent crisis following drastic cut in order for the four wheeler wagons, announced by the Railways.

The industry is solely dependent on the Railways. As such, the announcement of cut in order has put it into a grip of panic and the fate of about 10,000 workmen engaged in the industry is now hanging in the balance.

Furthermore, the downstream industries, mostly situated in the Howrah-Durgapur-Asansol belt, will be seriously affected, resulting in unemployment of workmen whose number will be many more times the number of workmen engaged in the Wagon Building Industry itself.

The Chief Minister of West Bengal has already taken up the matter with the Union Minister for Railways and requested him to appreciate that in view of the highly labour-intensive nature of the Wagon Industry, it should not be plagued with the erratic and widely fluctuating workload, which is bound to create a severe human problem.

MR. SPEAKER : How is it that it could be so lengthy ?

PROF. MADHU DANDAVATE (Rajapur) Probably he has read the statement twice !

MR. SPEAKER : It looks like that !

SHRI V. SOBHANADREESWARA RAO (Vijayawada) I would like to suggest the following two subjects for inclusion in the agenda for next week :—

1. Large quantities of eggs, fish, vegetables are transported from Vijayawada to Howrah by rail. The present arrangements made by Railways are inadequate. So I request the Government to take immediate steps to operate daily one goods Express Train from Vijayawada to Howrah.

With discontinuation of Link Express the interests of travelling public from Vijayawada region have suffered most. There is great need to operate one Express Train from New Delhi to Visakhapatnam, the Steel City coming up with large Central Industrial units to cater to the needs of people of Vijayawada region and of coastal Andhra region.

PROF. MADHU DANDAVATE (Rajapur) : I will like to suggest the following item to be included in the agenda for next week's Business :—

DISMISSAL OF GOVERNMENT EMPLOYEES WITHOUT INQUIRY

The recent judgment of the Supreme Court and its interpretation of Article 311 of the Constitution give sweeping powers to the executive to dismiss government employees without inquiry under the pretext of public interest and public good. The situation can be saved and natural justice to Government servants restored only by suitably amending Article 311 of the Constitution through Constitutional Amendment Bill. Notices for appropriate Private Members' Bill have already been given. But since, technically, there is not adequate time left for going through all formalities, I suggest that concerned rules be waived and the House given opportunity to discuss the private Members' Constitution Amendment Bill in this very Session of Lok Sabha.

[Translation]

MR. SPEAKER : I hope you are not apprehending your own dismissal.

[English]

PROF. MADHU DANDAVATE : Only you and the House can dismiss me from the House.

(*Interruptions*)

SHRI S. M. BHATTAM (Visakhapatnam) : The following matter may be included in the Business for the next week :

The employment policy followed by the SAIL authorities and the Government of India in respect of the displaced persons in the Visakhapatnam Steel Plant area has not taken into account the assurances and the solemn commitment made by the former Prime Minister to them both on the occasion of laying the foundation stone and on subsequent occasions, namely, that at least one person from out of the displaced person's family will find employment in the Steel Plant. About 1300 such persons out of a total of about 13,000 displaced families are so far employed in the Steel Plant. It is stated that not more than 5000 persons can find jobs ultimately by the time of completion of the first and second stages of the Steel Plant which would mean leaving about 8000 families in the lurch contrary to the assurance referred to earlier and in spite of the fact that they lost both their houses and lands during the acquisition of land for the Steel Plant. This is contrary to the policy followed in the other Steel Plants like Bokaro, Durgapur, Rourkela etc., where almost all the displaced persons were employed. The Government also are not sure when and at what stage all the 5000 persons will be absorbed in the Steel Plant. The work in the Visakhapatnam Steel Plant commenced in 1980. In 1981-82 when an amount of 147 crores were allotted, 541 DPs were appointed. In 1982-83 when 294 crores were allotted, 583 D. Ps. were appointed whereas only 150 persons were appointed in 1983-84 when 445 crores were allotted. During 1984-85 only 9 persons were appointed when the total budget allotment was Rs. 587 crores. Thus, it is apprehended that

the case of the displaced persons is neglected and hence a firm recommitment to the assurance of the former Prime Minister and its implementation is the urgent need of the hour.

SHRI H.K.L. BHAGAT : Sir, I have very carefully and with respect listened to the submissions made by hon. Members and I shall place them before the Business Advisory Committee. The matter which is raised by Prof. Dandavate is already there. So, I shall place all these matters before the BAC.

PROF. MADHU DANDAVATE : In order that it may not be considered as a tape-recorded reply, he referred to me.

SHRI H.K.L. BHAGAT : I assure you again that I have listened to all this with great care and with great regard.

SHRI HARI KRISHNA SHASTRI (Fatehpur) What a good memory, Sir !

SHRI BRAJAMOHAN MOHANTY (Puri) : Sir, I had raised a privilege matter here. (*Interruptions.*)

12.30 hrs.

**STATEMENT CORRECTING REPLY
TO STARRED QUESTION NO.327
DT.20TH MARCH, 1984 RE :
MACHINERY PURCHASED BY
C. I. L. FOR COAL COMPANIES
AND REASONS FOR DELAY**

[English]

THE MINISTER OF STEEL MINES AND COAL (SHRI VASANT SATHE) : While answering part (b) of the Lok Sabha Starred Question No. 327 dated 20.3.1984, a statement indicating the percentage of availability and the utilisation as percentage of availability of basic heavy earth moving machinery in Coal India Limited was appended to the reply in the form of Annexure II.

It has now been brought to our notice by the Coal India Limited that the statistical data furnished by them earlier was a

provisional one available with them at that time. They have furnished a revised statement modifying the statistical data. The revised Annexure II is enclosed with the statement.

These discrepancies were brought to the

notice of the Department by Coal India Limited now. Hence these are being rectified.

The delay in submitting the correct statistics to the House, which is due to the reasons mentioned above, is regretted.

ANNEXURE II

Statement indicating Percentage Availability of Basic Heavy Earth Moving Machinery in Opencast Projects of CIL vide para 2.

	DUMPERS	SHOVELS	DOZERS	DRILLS
	81-82	82-83	83-84	81-82
ECL	74	70	74	79
BCCL	74.4	73.5	66.4	74.1
CCL	68	69	70	74
WCL	64	65	64	80
				76
			64	63
			71.7	69.5
			62	66
			68	67
			70	70
				69
				69
				69

Utilisation as percentage of Availability of Basic Heavy Earth Moving Machinery in Opencast Project of CIL

	DUMPERS	SHOVELS	DOZERS	DRILLS
	81-82	82-83	83-84	81-82
ECL	58	63	56	58
BCCL	64.5	56.8	57.4	62.8
CCL	70	72	71	74
WCL	61	63	61	71
			60	62
			58	55
			74	60.7
			75	63.5
			75	59.5
			75	64.4
			75	67
			75	69
			82	65
			59	65
				51
				52
				59

12.31.hrs.

ELECTION TO COMMITTEE

Committee on Official Language

[English]

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS AND IN THE MINISTRY OF HOME AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : Sir, on behalf of Shri S.B. Chavant I beg to move :

“ That in pursuance of sub-section (2) of section 4 of the official Languages Act, 1963, the members of Lok Sabha do proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, one member from amongst themselves to be a member of the Committee on Official Language vice Shri Jamilur Rahman died.”

MR. SPEAKER : The question is :

“That in pursuance of sub-section (2) of section 4 of the Official Languages Act, 1963, the members of Lok Sabha do proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, one member from amongst themselves to be a member of the Committee on Official Language vice Shri Jamilur Rahman died.”

The motion was adopted.

12.32.hrs.

BUSINESS ADVISORY COMMITTEE

Ninth Report

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI H.K.L. BHAGAT) : I beg to move :

“That this House do agree with the Ninth Report of the Business Advisory Committee presented to the House on the 1st August, 1985.”

MR. SPEAKER : The question is :

“That this House do agree with the Ninth Report of the Business Advisory Committee presented to the House on the 1st August, 1985.”

The motion was adopted.

12.33. hrs.

DISCUSSION RE : STEEP RISE IN PRICES—CONTD :

[English]

SHRI M. RAGHUMA REDDY (Nalgonda) : Mr. Speaker, Sir ...

MR. SPEAKER : You rise with the price rise.

SHRI M. RAGHUMA REDDY : Sir, price rise after the Budget has gone up from 15% to 50% especially in some of the items like vegetables, sugar, edible oil and other important items. The Food and Civil Supplies Minister has agreed that the Prices have gone up by 15%. Here, I want to mention why the price of sugar has gone up. India has got the capacity to produce 10 million tonnes of sugar per year. But during the year 1984-85, we could produce only 6.25 million tonnes.

12.34 hrs.

[MR. DEPUTY SPEAKER in the Chair.]

During the Year 1980-81, we produced 8.5 million tonnes of sugar. Why has this happened ? The cane producers have not been given sufficient amount. They have not been paid remunerative price for their sugarcane. They were forced to burn their cane. Due to the wrong policy of the Government, these things had happened. One should have the plan of how much sugar, how much wheat or

[Shri M. Raghuma Reddy] :

how much edible oil is required for the ensuing year and based on that, they should plan. But on seeing the fact that there is a continuous rise in price, it seems that the Government are not having any thorough plan for these things. We are importing oil worth Rs. 1,000 crores every year. The Indian farmers are capable of producing oil-seeds. But the Government are not buying the oil seeds produced by the Madhya Pradesh Oilsedas Corporation, the Andhra Pradesh Oilseeds Corporations and the Gujarat Oilseeds Corporation. The Government have no idea purchasing it. If the Government gives the farmers the target of production of oil-seeds which is required, the Indian farmers are capable of producing the oil-seeds. Indian farmers can produce not only the oil seeds but even pulses also. But the Government is not giving the farmers the annual plan of production and the Government are also not giving remunerative prices to farmers and thereby the prices are going up and the Government is mostly interested in importing the oils and even sugar also from other countries. Even if the Indian farmers are capable of producing the oilseeds and sugarcane, our Government is not purchasing them and the Government is going outside the country for their purchase. We do not know the background of action.

The Government have no regulated market not only for oilseeds but for anything. In India, the farmers are producing ; some middlemen are getting profit out of it. Even in Delhi which is the heart of our country, there is a Naya Bazar which is not regulated. We are not talking about Andhra Pradesh or Kerala or Karnataka and while talking of Delhi itself which is the capital of our country, we do not have this regulated market. In Delhi, only fruit and vegetable markets are regulated. The remaining markets are not regulated.

I would request the hon. Minister that first of all regulated markets should be set up in all the places of our country irrespective of the fact whether it is State headquarters or District headquarters or taluk headquarters. This should first of all be ensured.

For vegetables and other things, the Government should make cold storage arrangement. If there are cold stroages, they should store in them the vegetables produced by the farmers. The Government should buy direct from the farmers and supply to the consumers through the public distribution system.

It is because of the lacuna on the part of the Government that we do not have all these facilities now. Some middlemen getting large profit out of this.

So I would request the hon. Minister first to ensure remunerative prices to farmers and help the cultivato's, the farmers and the farm labour. 70% of our population mostly depend upon agriculture.

I would request the hon. Minister to give remunerative prices to oilseeds, sugarcane and vegetable growers and then only the prices will come down. Then only we can get enough edible oil and enough sugar in our country. We will become self-sufficient in this respect if only remunerative prices are offered to the farmers.

[Translation]

SHRI G.L. DOGRA (Udhampur) : Sir, I am grateful to you for giving me an opportunity to speak. I would like to submit some points brfore you and I shall not take much time. The problem of price rise is a very delicate one. On the one hand the producer is not getting remunerative prices for his produce and on the other hand the consumer has to pay very high prices. Prof. Dandavate has done a very good thing by raising this matter in the House. Many hon. Members have put forth their points of view on this issue but not a single point taken in isolation can be helpful in solving this problem. If all the points raised here are viewed in their entiety, it becomes evident that this problem has taken a turn for the worse and if attention is not paid to it, our very social, economic and political system will collapse. The hon. Finance Minister is well aware of it. He is fully aware of the state of Affairs in his own State and he has information in

respect of other places also. It is not that he is ignorant about it. He is very well aware of it. He is submitting the figures pertaining to his Department in a proper way. It is quite clear from the graph that increase in prices in the wholesale market is marginal. In the retail market, prices are going up very fast. The retail prices are galloping. How can this process be checked and how can this problem be solved, attention should be paid towards this aspect. It is not the responsibility of the Central Government alone. It is a problem which should be solved by the Central Government, the State Governments, and the people jointly. The Opposition, in particular, should treat it as a national problem and cooperate with the Government in solving it.

Every thing changes with the time. Old times have changed now. The economics which we studied in good old days does not hold good now. Due to unemployment and other weaknesses, people have become short tempered. I would, therefore, submit that the problem should be solved in a calm manner.

It is correct that under the provisions of the Constitution, the State Governments have been given certain rights. They take funds from the Centre for the welfare programmes for the people. They are asked to implement the programmes but no follow up steps are taken by them to ascertain whether action is being taken in that direction or not. Nobody bothers to see what action is being taken under the 20-Point Programme and how funds are being spent. The funds earmarked to implement the programmes are not being utilised properly. Prices of commodities are going up because of black money. They are not coming down. Besides, the commodities are being sold in the black market at high rates. Recently sugar and rice were imported, but they are not being made available to the people. It is not possible to do so unless the public Distribution System functions properly. It is not possible for the Central Government to take any effective measure until the State Governments cooperate in the matter. It is not possible without healthy coopera-

tion. If the consumer cooperatives and producer cooperatives are formed, they can prove beneficial. Some procedure should be evolved to keep the middlemen away. Leaders in the cooperative sector are not paying attention towards the difficulties being experienced by the people. Unless their vested interests are put to an end, it will not be possible to control the situation. I would, therefore, like to say that you should understand its importance and must endeavour to solve this problem. The State Governments should be involved in this work. You will not be able to do anything without their cooperation. Under the Public Distribution System, sugar is sold at Rs. 5.70 per kg. but as the people are not aware of it, they purchase it from the market at Rs. 8 to 9 per kg. Parmal rice is available at Rs. 3 per kg., but nobody is aware of it. Wide publicity should be given to it. You should ensure the supply of the commodities required by the people at particular place. Poor people are facing great hardships. They experience difficulty in getting foodgrains when prices go up. I would, therefore, like to suggest that the State Governments should be involved and the Public Distribution System should be streamlined.

You should not rely on the traders, as old values have lost all meaning now. They are not realising that there should not be any hoarding and profiteering. These days they are just on the look out of a pretext to increase the prices. If rail fares go up or the prices of petrol go up, they increase the prices of their goods and start hoarding kerosene oil. I want that you must devise a method so that the entire black money is disclosed and it may not generate in future. Unless this is done, you will never be successful. In case you seize cash, they will start hoarding in kind. The result will be that black money will remain undetected and the goods will also remain in short supply in the market.

You should pay attention towards these things. Due to shortage of time, I would not like to say much at present. But I would like to repeat that since you are determined to solve this problem,

[Shri G. L' Dogra]

I am sure you can do everything. This problem should be solved by involving the State Governments and by paying undivided attention to it. If we are able to solve this problem, we shall become strong internally and shall be able to face external forces boldly. If the common man is satisfied, he will feel happy and will realise that we are really doing something for him.

SHRI HARISH RAWAT (Almora) : Mr. Deputy Speaker, Sir, our aim is not to blame anybody through this discussion. We in fact want to draw the attention of the hon. Minister towards the difficulties and hardships of the common man to whom we as well as the Government are committed. Through statistics we can satisfy each other, but we have to keep in mind how far they are worthwhile for the common man whom we have to satisfy. Though the wholesale price index has not gone up yet the fact is that the wholesale prices of commodities in the market have increased sharply after the presentation of the last Budget. In our economy, price rise is a continuous process, but if there is laxity somewhere, the prices of certain items go up steeply which creates great difficulties for the people. There is need to check this trend as it is causing great harm.

In the last Budget, the prices of petroleum products and rail fares were increased, but on this pretext different state transport corporations, private transporters and truck owners have increased their transport charges manifold, as a result of which the prices of commodities have increased exorbitantly in remote areas particularly in the hill areas. You should pay special attention towards this aspect.

A good atmosphere was created after presentation of the Budget and all of us had expected that the concessions announced by the Government would have very good effect on the traders and industries. If these persons had understood the importance of these concessions honestly, they would have made their contribution in developing our economy further and they would have made an all out effort

in this direction. But it appears to me that the traders took the meaning of these concessions other-wise and thought that they had been given a free hand.

The extent of price rise at present varies from State to State. If there is fifteen per cent price rise of commodities in Uttar Pradesh, it is ten per cent in Gujarat and for the same commodities there has been four to five per cent price rise in Kerala. This is a big difference in percentage of price rise, which we cannot prove by putting forward simple arguments.

There has been wide variation in the increase in price of the same commodity at various places within a State. I would like to cite one example of my own area. Three different prices of the same commodity are prevalent in one of the cities in my area. When I told the Collector that three different prices of the same commodity are prevalent, he replied that he was not vested with any statutory powers to compel the traders to display the price lists of these items in their shops. When I pressed him, he asked the S.D.O to convene a meeting of the traders and the consumers. As a result of the meeting, the traders agreed to reduce the gap between different prices prevalent in various areas.

I would urge the hon. Finance Minister that at least after the presentation of the Budget, he should advise the Chief Ministers of the States to alert the district administrations in their respective States to check the price rise. The prices of vegetables, meat and those of other essential items have gone up considerably recently. I would like to submit to the hon. Finance Minister that unless he asks the Chief Ministers to alert the district administrations to check price rise and to ensure control on unwarranted price rise—he might drive home his point by furnishing figures and we also might feel relieved by presenting our side of the case—it is not going to reduce the burden of the people who are suffering the pinch of the price rise.

Many hon. Members have expressed their views in the House regarding our

sugar policy. I would like to submit that there is need to review the entire policy from sugarcane cultivation to production of sugar. Actually the area under sugarcane cultivation is going down gradually. Now the farmers have started cultivation palm oil seeds and such other crops which are more remunerative than sugarcane. In this way, the production of sugarcane would further go down and the farmers would think that cultivation of other items in place of sugarcane may be more remunerative. As a result thereof, production of sugarcane would go down in the country and you would not be able to improve the situation despite import of sugar from abroad.

Even now I am of the view that the problem of sugar is not that of its availability, but it has been created due to lifting of sugar by the States in time. If the States or the wholesalers do not lift sugar in time, whose responsibility is it to see to it ? If I go to Almora or Pithoragarh and you go to Allahabad and tell the people there that the wholesalers of the States are not lifting their quota of sugar, a common man would simply say that for him there is no difference between the Central Government and the State Government. You should see to it that the State Governments lift their quota of sugar in time and the wholesalers despatch it to the retail centres and levy shops in time.

I would also like to urge the hon. Minister that there is an urgent need to strengthen and to expand our Public Distribution System. More items should be brought under the Public Distribution System. If need be, subsidy should be granted for this purpose. Co-operative movement can play a great role in this regard. The condition of the Co-operative societies in U.P. and Bihar is deplorable. The State Governments should be advised to take steps to improve the financial condition of their cooperative societies and to strengthen the Public Distribution System.

I would like to draw the attention of the hon. Minister towards the consumer movement. Public Distribution System is

under great stress these days and, as a result, the Government are unable to control the prices. The only method to check the price rise is to strengthen the consumer movement, which is not receiving the required attention now. The only solution to all these problems is to strengthen the consumer movement. I hope the hon. Minister would look into all these things.

[English]

DR. A.K. PATEL (Mehsana) : Mr. Deputy-Speaker, Sir, Yesterday about 19 hon. Members took part in the discussion on the steep rise in prices and it shows the importance of the subject and the gravity of the situation. Today more members are going to take part in the discussion. When I heard the hon. Finance Minister speaking that the price were under control, I wondered whether I was in my dream. I have gone through the newspapers. Here I would like to mention about the experience I had some days back. A few days back I had accompanied my wife to the market to purchase some groceries. We just purchased some groceries for Rs. 300 and those things could be kept in one small basket. My wife commented that the same quantity of goods could be purchased for Rs. 50 some years ago. This is the feeling which everyone has. I will not go into the details.

PROF. MADHU DANDAVATE : If the hon. Finance Minister goes with his wife, he will also face the same trouble.

DR. A.K. PATEL : He may not be getting time to go to the market because he is busy with his work. I will not give any detail about the facts and figures because hon. Member, Prof. Madhu Dandavate, gave a lot of details and facts and figures in yesterday's discussion.

Now, I will mention about the present situation as to how it happened. Last year, during 1984-85, price rise was to the extent of 5.2%. The rise was mainly during the first half of the year and it was under control since September 1984 as elections were supposed to be approaching. The Government kept prices under control by manipulating supply—either by

[Dr. A. K. Patel]

increasing the import or by releasing a large stock of sugar or foodgrains than what is normally needed. There was a general expectation that as soon as elections were over the prices would rise. And prices invariably do rise if they are expected to rise.

Sir, due to Government manipulation, the prices in the second half of 1984-85 were kept low although during that period, the money supply—the total quantity of currency notes, etc. was increasing rapidly. For example, the money supply increased by 17.2% during the last year. The currency increased by 3307 crores indicating 18% increase. The treasury bills increased from 16,756 crores to 22,287 crores of rupees indicating an increase of 5250 crores of rupees or 33%. As a result of such inflationary pressures, the prices would have increased by 15% last year, but due to Government manipulation, for political convenience, it increased by 5.2 per cent.

13.00 hrs.

It means that there was a pent up demand, ready to come out and push prices up rapidly but for some temporary reasons, the price rise had been suppressed. That was the situation in the beginning of March, when Government presented the Union Budget.

The Union Budget instead of trying to restrain price rise took such policy measures which would push up prices suddenly and with a bigger jump, first as a result of the pent up form for upward prices and secondly due to imposition of indirect taxes, unprecedented deficit financing and talk of ambitious Seventh Plan in which the public sector investment was going to be very big. No wonder, the rise in prices was sudden and by big jerks.

This reflected soon after the Budget on the 10th March, 1985. The wholesale price index was 339.7 which came to 344.9 on 31st March, 1985. At present, it is hovering around 355 indicating an inflationary rate of more than 15 per cent during this year. The price rise is still

to go further and will also remain unabated because of several reasons. The Government has now again gone to the policy of having ambitious plan in which the plan size will be bigger, although the resources will be inadequate with the result that a small butter would be spread on every slice which would not be fruitful. Already, the Government is wasting a lot of money on public sector projects. The National Textile Corporation had losses of Rs. 97 crores in 1982-83, which increased to Rs. 137 crores in the next year and it again went up to Rs. 171 crores in 1984-85. The gap between the revenue receipts and revenue disbursements which was at about 6.12 per cent in 1979-80 has increased to 23 per cent in 1985-86, as estimated, but the actual may be between 25 and 30 per cent.

MR DEPUTY-SPEAKER : Please conclude now.

DR A.K. PATEL : I will not go into it further. The hon. Minister is capable and competent enough to tackle the problem. I would request him to take suitable measures to see that the prices are controlled so that the average common man can live peacefully. If the rates go on increasing this way, the number of persons living below the poverty line would increase and I am afraid, it will lead to so many complications.

The Lok Sabha then re-assembled after Lunch at ten minutes past fourteen of the Clock

[**MR. DEPUTY SPEAKER** in the Chair]

MR. DEPUTY SPEAKER : The hon. Minister will reply at 2.30 P.M.

[*Translation*]

SHRI MANVENDRA SINGH (Mathura) : Mr. Deputy Speaker, Sir, the country has made tremendous progress after independence. There was a time when not even a sewing needle was manufactured in the country, but now this great country has entered the satellite age. Shipyards and factories manufacturing aeroplanes as also heavy engineering units have been established in this great country.

We have also made tremendous progress in the field of agriculture. Earlier the country used to import foodgrains from abroad, but now the country is not only self-sufficient in the matter of foodgrain production, it exports foodgrains to foreign countries from time to time. There was a time when the condition of our economy appeared to be in doldrums due to scarcity of petroleum. In this sector we used to look to other countries, now our condition is satisfactory and nearly seventy per cent of our total petroleum requirement is met by our domestic production and we hope that during the next few years, we would be self-sufficient in this sector also.

So far as the question of price rise is concerned, we must not forget that the main reason for price rise is the population explosion in the country. There has been very rapid growth in the population of the country since independence. One of the main reasons for price rise is the growth of population. Mr Deputy Speaker, Sir, I would like to draw your attention towards certain figures regarding population. In 1971, the population of the country was 54,81,59,652, which has now gone up to 70 crores. Our population has grown fifty per cent during the last ten years only. We shall have to give thought to this aspect also. The price rise which we are witnessing now is due to increase in the population.

Mr. Deputy Speaker, Sir, I would like to place before you certain figures which I have collected today. The price of refined oil last year was Rs. 275 per tin, whereas its price now is Rs 260 per tin. The prices of a tin of mustard oil and rapeseed oil has gone down from Rs. 190 to Rs. 175, and that of the vanaspati ghee has increased from Rs. 230 to Rs 237 per tin. The prices of sugar have of course gone up. The price of sugar have gone up from Rs. 480 per quintal to Rs. 825 per quintal. The price of *gram dal* has gone up, but the production of *gram dal* depends on the crop of gram. Our country is predominantly an agricultural country and the climate of the country affects our agricultural production. The price of *arhar* a has come down to

Rs. 475 from Rs. 550 and that of *masoor* to Rs. 540 from Rs. 600 per quintal. Also, the prices of potato, onion, rice and coffee have come down in comparison to those prevailing last year.

The production of textiles has increased. With regard to the cheap variety of cloth, I would like to submit to the hon. Minister that some improvement must be brought about in its distribution network. So far as synthetic cloth is concerned, the country has made tremendous progress in its production and there cannot be two opinions that it is being made available at cheap prices in the country.

So far as the question of small means of entertainment is concerned, the prices of transistors, TV sets and tape-recorders etc. have gone down considerably.

In the end, I would like to submit that the wholesalers and the officers who are responsible for this price rise should also be taken to task. During the discussion in the Railway Budget and the demands for Grants of the Ministry of Steel and Mines also, I had said that when political workers can be detained under N.S.A., why could the corrupt officials be not detained under the N.S.A.? Such corrupt officials must be detained under N.S.A. and action should be taken against them.

If you look towards realisation of income tax and sales tax, you will find that fifty per cent of the total collections are pocketed by these people. In the end, I would like to urge that strong measures be taken against them.

[English]

SHRI CHITTA MAHATA (Purulia) : India is a developing country. It has made some progress. But there is one burning problem before the country : every time a Budget is presented before Parliament, it is said that it is a growth-oriented one ; it would hold the price line, and that the entire economy would be well under control. (*Interruption*). But people have different views.

This time also, the hon. Finance Minis-

[Shri Chitta Mahata] :

ter, Shri Vishwanath Pratap Singh, while presenting the Budget, said that it would not affect the common people, and that prices of essential commodities would not be increased. But after the introduction of the Budget, prices of commodities have been increased by about 10% to 15%. So, the middle income group which has got an earning of Rs. 1300/- p.m. has to increase its expenditure by Rs. 150/-.

Some officials have said that this price rise is seasonal, and that it will be under control within a short time. But the common people have a different view, viz. that once prices increase, they will never come down.

I am not going to give detailed statistics. I will select only a few common items, and quote their prices. Rice, i.e. coarse rice is selling at Rs. 7/- to 8/- a Kg.; coal of inferior quality per 40 kgs. at Rs. 30/-; mustard oil per kg. at Rs. 18/-; and sugar at Rs. 8/- to Rs. 9/-.

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : May I know where is rice selling at Rs. 7/- a kg. ?

SHRI CHITTA MAHATA : In the open market. Electricity rates have also been increased by 30%.

SHRI C. MADHAV REDDI (Adilabad) : He is talking about *basmati* rice.

SHRI CHITTA MAHATA : Railway fares and freights have also been increased by 10% to 15%.

SHRI INDRAJIT GUPTA (Basirhat) : Basmati is selling at Rs. 13/-.

SHRI CHITTA MAHATA : But the most amazing fact is that Government is not realizing the realities. According to me one of the main reasons for the price rise is that the Government has failed to punish the black-marketeers, hoarders and profit-makers. Although there are laws like ESMA and NASA. Secondly, another important factor is that parallel economy in black money is playing a vital role in increasing prices. By introducing the bearer

bonds, black-money did not become white. About Rs. 40,000 crores of black-money is still playing an effective role in our economy. Such a huge quantity of black-money is sufficient enough to bring total disaster to any economy, but in our country the Government is too weak to touch these people. Government should think over it.

About 28 crore people are below the poverty line, half fed, half clad; Passing the days in untold misery and agony. Government should think over the reality. Slogans like *garibi hatao* or jobs for every family may be made catchy but are must not try to hide the stark reality. I would like to suggest the government to take following steps :

(i) To fix the price of 14 essential Commodities.

(ii) Effective public distribution system should be introduced. The other day Food & Supply Minister said that government is not lifting the sugar. But by blaming the State Government the problem will not be solved. The common people are the worst sufferer. Government should find out the reasons why the State Government has failed to lift the sugar and other commodities from F.C.I. By mutual discussion with the State authorities the problem may be solved.

[Translation]

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad) : Mr. Deputy Speaker, Sir, a detailed discussion has been going on in the House for the last two days regarding price rise and it is a fact that sometimes our officers, whom we trust, present wrong figures and mislead the country.

Just now an hon. friend has said that such officers should be put behind the bars, but this action would not suffice. It was stated in the House that the Government of Uttar Pradesh did not lift the quota of sugar allotted to it, but I have with me a statement of the Resident Commissioner, in which it has been said that sugar was not allotted to that State. I have got those figures with me,

SHRI ZAINUL BASHER : Which Resident Commissioner has issued the statement?

DR. CHANDRA SHEKHAR TRIPATHI : It is the statement of the Resident Commissioner of Uttar Pradesh. It is very bad and unfortunate for the country that such misleading statistics, wrong statement and distorted facts are given out. The common man is definitely facing the difficulties. The prices of the commodities have increased and it will not be inappropriate to mention here that the prices of all items of daily use have gone up. We should not feel satisfied by saying that the prices have not increased much in comparison with those prevailing last year. It is a fact that after independence, monopoly industries with investment to the tune of billions of rupees have been set up with foreign collaboration to take the country forward and the production has also increased, but such units have shown losses to the tune of crores of rupees annually and to make up such losses taxes worth billions of rupees are levied on the common man in the month of March every year. The hon. Finance Minister should stop such a practice. It is not proper in a democracy to incur crores of rupees on luxuries and pomp and show of the officials of the units which are not increasing their production.

Sir, it cannot be denied that black-marketing is playing a major role in the economy of our country. I would like to draw the attention of the hon. Finance Minister towards Uttar Pradesh. Under the 20 Point Programme, seven items should be distributed to the common man through the fair price shops in Uttar Pradesh, but soft coke and rapeseed oil have never been supplied to the fair price shops in the rural areas of Uttar Pradesh for the last three or four years. No one knows what happens to them or who sells them. It is very unfortunate. There has always been a controversy as to whether to run these shops through the co-operative societies or through the private parties. Neither the Co-operative Societies nor the private parties have ever sincerely tried to ensure the supply of commodities to the common man. I would suggest to the hon. Minister

to make the laws more stringent in this regard so as to prevent the creation of artificial scarcity of commodities. So long as there is artificial scarcity, the common man will not be able to get necessities of life in spite of the commodities being there in abundance. The increase in sugar prices has become a major issue. Often there has been discussion on it in the past. There has been a sharp increase in the price of sugar; there has also been increase in the prices of other essential commodities but the price of the items produced by the farmer did not rise in the same proportion. I do not hesitate to say that 80 per cent of our population, which is in the villages and whose only means of livelihood is agriculture, is feeling frustrated. Now the farmer is not ready to cultivate sugarcane because he is aware that he will not get remunerative price and it is, therefore, obvious that when a thing is not produced, it is bound to become scarce.

Much is said about the deficit Budget. But, I would submit to the hon. Minister that this budgetary gap of billions of rupees and imposition of taxes on the common man or increase in the prices of goods will not be helpful in strengthening the country's economy. An effort should be made to bring about parity between the production and wages in Industries.

[*English*]

SHRI PIYUS TIRAKY : (Alipurduars) : Sir, much has been spoken by the hon. Members from both sides and it has come to the notice of the House that the rise in prices in the country is now very much disturbing the public life. So, I should not like to speak much. I want to give time to the Minister to speak. He is the Pratap of the country. The country now wants to hear him and hear his Pratap also so that they will know what he is going to do to check the rising prices in the country. What I speak, it matters little. What the Minister speaks, will matter. So, I want to put some questions and I should like to have clear cut answers to those questions. The questions are as under :

(1) Is it not a fact that Planning

[**Shri Piyus Tiraky**] :

Commission's Plan outlay of Rs 180,000 crores for the public sector is struck due to cost escalation and continued resources constraint ?

(2) Is it a fact that the resources gap is now estimated to be more than Rs. 50,000 crores ? How will you make up this gap ?

(3) Is it a fact that our trade gap is widening in spite of our comfortable food production ?

(4) Is it not a fact that the anticipated 5.2 per cent annual average rate of growth of savings is overambitious, and is doubtful to be achieved due to the existing conditions of price rise ?

(5) Is it not a fact that the poverty line is rising and 50 per cent of our total population lives below the poverty line ?

(6) Is it a fact that the quality of life is much lower now except for a few affluent classes due to the rise in the prices of essential commodities and an average family has to spend 30 per cent more to keep going after the 1985-86 budget ?

(7) How do you justify to do away overdrafts of the State Governments when the Centre is wholly depending on the overdrafts to meet its demand ?

(8) The Government has declared that it will unearth black-money-How ?

(9) Is it a fact that over Rs. 50,000 crores of black-money is in circulation and it will go as high as Rs. 90,000 crores within a few years ?

[*Translation*]

SHRI KALI PRASAD PANDEY (Gopalganj) : Mr. Deputy Speaker, Sir, so far as the question of price rise is concerned, not one but many hon. Members have thrown light on it particularly during the discussion on the price rise of sugar in the House. When the production capacity of the country declines and the farmer feels disappointed, there is bound to be price rise.

In the northern Bihar seven sugar factories have been lying closed for the last three years. Many people have tried to draw the Government's attention to it. The farmers handed over the entire produce to the factories. 75 per cent of the people of north Bihar depend on sugar-cane cultivation. When the produce reached the factories, the big mill owners like***, Who own 5 to 6 factories, swindled the farmers of their dues. The result was that the production capacity of the farmers went on decreasing day by day. The farmers became frustrated because they were not getting a remunerative price for their produce. Government also did not make any effort in this direction. We have high hopes from you as you have been the Chief Minister of Uttar Pradesh. We belong to the border areas of Bihar. The law and order situation was very sound in your State. When you took over as the Finance Minister, the people of India had expected that just as they worshipped Kashi-Vishwanath, the Government would in turn see the reflection of Vishwanath in the people. But these expectations were shattered because we see that black money and blackmarketing are on the increase day by day.

I complained to you about the smuggling activities in Raxaulpura in Bihar. I give the documentary proof by way of a photostat copy was but the result was that*** was transferred from Patna to Bombay.***, He was involved in smuggling activities, of which I gave you documentary proof; he had opened in the name of his wife and daughter*** accounts in ten to twenty banks. We had expected justice from you but instead he was transferred to Bombay airport.

Smuggling is going on in Raxaulpura on a large scale. There is no doubt that this is as a result of the price rise. Besides the old stock of sugar with us, this year the production of sugar has been 62 lakh tonnes. In addition, we imported 10 lakh tonnes of sugar. In spite of all this, the price of sugar rose which should not have happened.

The price of petrol has also increased.

*** Not recorded

I concede that it was due to increase in the value of dollar. As a result of the import of petrol we had to pay Rs. 100 crores more in foreign exchange. Government had no other option but to increase the price of petrol in the country. This amount had to be realised from the consumers. The increase in diesel price adversely has affected the farmers. The farmers would be disappointed if they get less price their produce than their cost of production. The farmer should get a remunerative price of his produce.

With these words, I conclude.

SHRI GIRDHARI LAL VYAS (Bhilwara) : Mr. Deputy Speaker, Sir, for the last two days there has been continuous discussion on the price rise. I would like to remind the hon. Minister that the major cause of price rise has been the increase in the price of petrol, diesel and kerosene. You must have observed that since the day the prices of these items increased, there has been increase in the transportation cost which in turn has resulted in the price rise of every commodity. It is, therefore, clear that increase in the transportation charges would affect all other items whether it is machinery, textiles, foodgrains or any other item. You know better about the figures you give but we feel that the price of every commodity has risen.

Take for instance, milk. The price of milk supplied from the Government depots has risen so much that an average family has to spend Rs. 40 to 50 more every month.

SHRI VISHWANATH PRATAP SINGH : Have we levied any tax on milk ?

SHRI GIRDHARI LAL VYAS : It is not the question of tax. The prices have risen due to your policies. As the transportation charges have increased, the price of milk has gone up. Milk is transported in trucks and comes from other States like Rajasthan and, therefore, the prices have soared.

Not only this, on top of the prices raised by you, the States have also raised

taxes arbitrarily. Taxes to the tune of Rs. 100 crores have been imposed on electricity in Rajasthan. Taxes on industries, small as well as big, and even on consumers and agriculturists have been increased. We had pleaded that at least the consumers and agriculturist should be spared but no attention was paid to it. The population of Rajasthan is $3\frac{1}{2}$ crores and the per capita average comes to Rs. 30 and, apart from this, other taxes like sales tax have also been increased. 10 per cent price rise is due to your Budget and 10 per cent due to the increase in the taxes by the State Governments. You must have thought that as the election are over, now you can easily raise the taxes. You, of course, increased the taxes but the State Governments also did not lag behind. Some levied taxes to the tune of over Rs. 100 crores, others over Rs. 150 crores. Everything was taxed. The result is that when we visit the villages in our constituency, we have to face difficult questions from the people. They say that they had voted for us so that they could get commodities at reasonable prices and there would improvement in the distribution system but the result is not satisfactory. You look into the distribution system. Only a day or two back, Rao Sahib told us how sugar was exported. The people are not getting sugar here. The ration sugar is sold at Rs. 4.40 per kg. but sugar is being sold at Rs. 8 per kg in the open market. It is being said that imported sugar will be made available at Rs. 5 per kg but everybody is not getting it. The common man has to buy it at Rs. 8 kg. Today everybody is saying that they had voted us to power on the strength of our party's policies but we had imposed heavy taxes immediately after taking over. Now you tell us what reply should we give them.

You should ponder over it carefully. The way Rajivji is working and the way he was able to reach the Punjab Accord, it has earned him laurels throughout the country. Hon. Finance Minister Sir, you should also do something so that the people may get relief and they may speak well of you. An hon. Member had said that the prices of cloth have not risen but I would like to remind him that no commodity has remained unaffected by the rising prices.

[Shri Girdhari Lal Vyas]

The price of every commodity has increased. You go to the villages and see for yourself. Hon. Minister, Sir, you cannot gauge the extent of the misery simply through figures that are before you. The situation is so bad that we cannot simply tell the people that it is good. Hon. Minister, Sir, you must pay attention to it. I would request you to put blackmarketeers, smugglers and other big hoarders behind the bars so that the situation in the country may improve.

[English]

SHRI THAMPAN THOMAS (Mavelikara) : I am not touching upon the points with my friends have already mentioned. I want to make a special mention to the hon. Minister and to bring to his notice that price is also increased on account of certain other factors which are now taking place. One of such factors is coin shortage. I do not know much percentage of price rise has been there because of the coin shortage and small changes not being made available to the common man for the purpose of purchasing articles. If price of an article is 75 paise and the customer gives one rupee to the shopkeeper, the rest of the amount is not returned to the customer. This results in a straightaway increase in price. I do not know whether the hon. Minister is aware about it or not. There is an acute shortage of coin and this has resulted in artificial price rise. This has been purposely created by the persons who want to earn profit through this shortage.

In our country agricultural products are not less than the overall phenomenon is that only five per cent of the population of our country is eating twentyfive per cent of the products produced in our country. Therefore, ultimately the price hike is also caused on account of this and the artificial shortage is created in every sector of life, in production as well as in distribution, apart from the hike caused by the monopolistic tendencies.

I would bring to your notice another important factor which is contributing to price rise. There is creation of indigenous money in our country. There is a system prevalent in our country where a person

for instance takes one rupee loan for one paise a day. This term is dictated on him by the lender. If a person, for instance, lends one hundred paise for one paisa a day, it works out to 365 paise in a year as interest. How much is increase in volume by this operation which is prevalent in every nook and corner of this country ? I do not know whether you have made a study on this aspect to know how much inflation this operation causes in our country. This indigenous way on increase in the volume of money in this country mainly affects the purchasing power of the fixed income group. A man with a fixed income whether he is working in a factory or in an office is forced to borrow from these indigenous money-lenders because his wages do not increase in the same proportion as the prices increase. Unless and until some method is found out to curb this method of money creation, the price rise will continue and the people will continue to face this hardship. Therefore, the Hon. Minister should pay his particular attention to the aspects which I have just now mentioned.

[Translation]

SHRI ABDUL RASHID KABULI (Srinagar) : Mr. Deputy Speaker, Sir, I shall not go into details while speaking on this issue, but I would like to raise a few points.

I feel that unless hoarders, blackmarketeers and other such elements in the society are severely dealt with, such problems cannot be solved. First of all, the Government should have the will to deal with such elements and only then can they be curbed.

Many hon. Members have pointed out that there is black money to the tune of more than Rs. 50,000 crores in the country and with this black money a parallel economy is being operated. Unless the hoarders, profiteers and capitalists are curbed effectively, conditions will not improve. Bold steps should be taken to deal with them. I would like to submit to the hon. Minister that the root cause of our problem is elections. During elections the

political parties get donations worth crores of rupees from the capitalists, hoarders and mill-owners. As the ruling party is the biggest party, it is responsible to a large extent in such dealings. Elections are contested with this money power. Opposition parties may also be involved in it but the ruling party is more responsible for it.

Secondly, attention should be paid towards those States first where corruption is rampant. Corruption should be put to amend there. It is our duty that wherever the chief Ministers are indulging in corrupt practices, we should check them. In my State the prices are rising steeply and we are facing great difficulties. In Jammu and Kashmir** has been thrust upon us and the Congress Party should thank us because, now, even they are admitting that**

[*English*]

MR. DEPUTY SPEAKER : This will not go on record.

(*Interruptions*)

MR. DEPUTY SPEAKER : The hon. Member's time is over. He should conclude now.

[*Translation*]

SHRI ABDUL RASHID KABULI : In the end I would like to point out that attention is being paid towards poor people in our State under the 20-Point Programme. Government are realising thousands of crores of rupees in the form of taxes, but the advantage thereof is being shared equally by the capitalists and the poor people. Government should give priority to the poor. Your aim is to bring about socialism. I would, therefore, like to say that the poor people should be accorded priority and more attention should be paid towards implementation of the 20-Point Programme in our State.

[*English*]

SHRI INDRAJIT GUPTA (Basirhat) : Mr. Deputy Speaker, Sir, I am grateful

to you for giving me a couple of minutes..

MR. DEPUTY SPEAKER : You have given in writing saying 'I want 2 minutes'.

SHRI INDRAJIT GUPTA : I only wanted to put across one idea, for the consideration of the House and that is that we should not lose sight of the wood because of the trees. This is what is happening now and which is being condemned by all sections of the House. This tremendous price hike which occurred—he may not admit; that is a different matter—is, in my opinion, the inevitable fall-out of the new fiscal and economic policies, the new budgetary philosophy of this Government. And the people here, all Members here, are asking the Government to take action against those very people whom they are now determined to boost. How can it happen ? The only barometer of what is happening is the stock market, the share market. The hon. Minister knows that there is an unprecedented boom in the share market. Such a boom has never been seen before. And this is a sure sign, a barometer, that a high rate of inflation (which means high profit) is taking place. Everybody is not suffering because of these high prices and inflation. Only people with low incomes or no incomes and ordinary citizens are suffering. But there is a section of people, the big business houses, monopolists and so on. They are happy about it and the share market shows that. And therefore I will say that when once you have announced to the whole world that all regulations, restrictions, and all kinds of controls and everything as far as possible the Government is determined to remove ; which they have done, and taxes on the corporate sector have been drastically reduced and he has already promised that next year he is going to reduce them further. I do not know whether any Finance Minister has been able to do this, already to forecast for the next year, that is, further going to reduce the corporate taxes. What I want to say is only this, that an atmosphere has been created in the country which cannot but inevitably lead to an all round price rise because the whole idea is that there will be no control, no regulation,

**Not recorded.

[Shri Indrajit Gupta] :

no restriction, nothing ; we have decided to follow a pragmatic policy and that policy is meant to help particularly those sections of the community whom my friends here are imploring him to suppress, which is a contradiction in terms. How can it be done ? Therefore, all I want to say is,— I do not know whether you are a smoker... (*Interruptions*). Even on matches anybody is increasing prices whether legal or illegal, nobody to control or restrict anybody. The price of this match box has gone up to 30 paise now.

PROF. MADHU DANDAVATE : Sir, he has brought explosives in the House ;

(*Interruptions*)

SHRI INDRAJIT GUPTA : Sir, you may try to give up smoking, but matches are used not only by smokers, but by non-smokers also. Fancy paying 30 paise now for a box of matches which was 20 paise a few days ago, earlier of course it was 10 paise. I argued with the shopkeepers, small pan-biri walls : 'Why are you charging 30 paise ? Is it written on the box anywhere ?' He said :

[*Translation*]

—No, No, now it is correct. You will have to pay 30 paise. You may buy if you want, otherwise you may go.

[*English*]

I am saying, a certain psychology, a mentality, has been created and the source of that is at the top. The whole budget philosophy only a few months ago has generated this kind of inflationary pressure which is putting prices up all round and is bound to happen if this policy is persisted in because the Members of the Ruling Party who are feeling the pinch of the price now are rightly protesting against it, they were very enthusiastic in supporting the budgetary philosophy of Mr. V.P. Singh, but the two are not separated from each other ; they cannot be isolated from each other. One is following inevitably from the other one

and therefore, all I say at the end is that we are in for some very much more price hike and inflation unless this basic policy of the Government is changed, and I do not think they are going to change the policy ; at least they are not in a hurry because they want to give full latitude and full scope to the business community and the industrialists and the private sector particularly to show that they are cooperating with the Government to increase production. Of course, they have done nothing up to now, and I do not think they will do anything, but the common people of this country are in for a lot of trouble and a lot of suffering and sacrifice if the main source of this trouble, that is, this policy, is not changed. That is all I want to say.

(*Interruptions*)

SHRI S. JAIPAL REDDY : Sir, it is a contradiction in terms. Yesterday they have been critical of this price rise.

MR. DEPUTY-SPEAKER : No, no. Please sit down.

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : I just want to read a few paras and that is what has been said in this House :

"Mr. Speaker, Sir, from time to time hon. Members have expressed concern about the behaviour of prices in recent months. Fortunately the rate of increase this year has been much more moderate than any of the four years. However, the prices of certain specific items particularly rice, pulses, khandsari, gur, fruits and vegetables and tea, during this period, have increased rather sharply.".

This is not the proceeding of this year. This is the proceeding of the year 1983 and this is the speech of my able predecessor, Shri Pranab Mukherjee.

In 1984 in this very House he has expressed himself as follows :—

"Prices have a vital bearing on the welfare of the common man. I, therefore, share with the hon. Members the concern about the behaviour of prices and welcome this opportunity to have a discussion on the subject. The seasonal element in the price rise can even be seen from the fact that during the three months, May to July, the wholesale prices recorded a rise of 8.2 per cent in 1979-80, 8.4 per cent in 1980-81, 8.2 per cent in 1981-82, 6.1 per cent in 1982-83 and 3 per cent in 1983-84."

"In respect of essential commodities, the price index during the past three months have been particularly sharp in the case of pulses, potato, fish, coffee, Gur and certain other items."

Sir, I think, this has been the lot of every Finance Minister. This has been the wording of them, not of mine. There seems to be perpetual . . .

PROF. MHDHU DANDAVATE : All that you are establishing is that every Congress-I Finance Minister has failed.

SHRI VISHWANATH PRATAP SINGH : Dandavateji wants to rely upon only this Finance Minister. You see in 1979-80. He quoted figures between 1977 and 1979 and said that the inflation rate then was 2.5%. I do not know how statistics of 1978 are cardinal truth of statistics, and the statistics now are jugglery statistics, statistical jugglery. You see, it is the same machinery which fed you the statistics, is feeding us also. But, for Dandavateji, that period was the period of truth and this period is the period of jugglery. I don't know how can he juggle his belief so quickly. May I submit....

PROF. MADHU DANDAVATE : Mr. Minister, since you are going to base your arguments of this, I know it. Will you allow me just half-a-minute ?

I did not say that the figures that you have given were wrong. I say that if you take only a trend for a few weeks or

only for a few months and try to have the generalised conclusion for trend all over the year, you are likely to go wrong. Just as law and order situation in one week or two weeks is likely to be good and if you take all over the year it is bad, it is supposed to be bad. All that I have said is, it is not that your figures were wrong. But if you take the figures for a small span of time, that does not give the general picture of the country because we have to survive not only for three months but also for the whole year. That is our tragedy.

SHRI VISHWANATH PRATAP SINGH : I congratulate Dandavateji. At least in the first sentence, he said that my figures were not wrong. At least, he admits the correctness of them.

PROF. MADHU DANDAVATE : Right from the beginning, I said that.

SHRI VISHWANATH PRATAP SINGH : He has said that we have taken a very small period and he has referred to my love letter.

PROF. MADHU DANDAVATE : Collectively.

SHRI VISHWANATH PRATAP SINGH : Unfortunately, it would fail, if the letter written by the lover is not properly read. It is the same thing that Prof. Dandavate has done. That is, the whole year average inflation rates are there. Even if I take a longer period that would be three months, because in the present financial year, only three months have passed and I cannot extend it or interpolate it for six further months. But even as you say, I got the figures for the annual rate of inflation and if I take 12 months ending July, 1985, the inflation rate is below 6%. So, that is for the period that we have taken. But I will not go into technicalities of this. I will come to that later.

Yesterday, Krishna Iyerji said, how did the Minister believe his officers when these figures were given. One thing, may I inform that these data are not given by

[**Shri Vishwanath Pratap Singh**] :

the Finance Ministry ? Your consumer price index is given by the Labour Ministry. Your wholesale price index is given by the Ministry of Industry. Your retail prices are collected by the Agriculture Ministry. But let us give a thought that it is not a question of my believing. So far as D.A. figures are concerned, it is believed by lakhs and lakhs of Government employees in this country and even if you ask D.A. on behalf of the Government employees reference is made to the CPI figures. You see what are the facts. The index figures are collected by the Government employees.

15.00 hrs.

They are typed out by them. You say that there is bungling in it, that is, they are a very flimsy sort of thing. Now I do not have to debate on it because Prof. Madhu Dandavate has agreed. In fact, neither on our side nor on that side, let us take these as flimsy. I will not take shelter behind—it nor that should be made a debate of political attack. We know that quite various factors have come in and you have been in Government position. Hon. Members on that side have been in Government position. Basically, we are in public life. When we are in public life, we should share with people what is the truth and what is the position. Graphs are given, not for a solution, but for purposes of analysis. But when the point is made that these figures are not giving the true picture, this is not correct as there is no distortion of figures. Figures are correct. But there is limitation of figures. There is a limitation of wholesale price index and consumer price index of what they portray. These are aggregate indices. They only portray micro level. But when it comes to micro level of family budget, then they are not relevant. It is relevant to family budget. So much of the criticism is there, either on this side or that side.

There is an element of truth so far as this is concerned, because there may be normal increase in wholesale price index and consumer price index but there may be sectional break ups. For instance, the prices of a few articles go up and the

prices of a few articles fall down. The consumer price index or the wholesale price index may be normal. But both the sections of society may experience great difficulty. Sugar prices may go up. Jute price index may be even. But jute growers are also in difficulties and sugar consumers are also in difficulty. That is, when we come to micro level, I am not in favour of using wholesale price index. There we have to go by specific items because in a family, the person is not going to buy the whole market. He is going to buy certain items. If the prices of those items have gone up, it is relevant for us to look into it and take action. This is precisely what I want to clear some of the misconceptions . . . The graph has been given not as a solution but as a matter of diagnosis and the matters indicated are relevant. Not that they are useless. They are relevant when you try to analyse the impact of money flow, the impact of taxes or where you object to it that the deficits are not specific to a commodity. Similarly, when you analyse these factors as variables, then these matters in that sense become relevant. Whether these matters have affected prices on a micro level, I will come to that later. What is affecting the common man is the price of essential commodities and what we should do about it. That is the spirit in which I wan to take the House into confidence.

[*Translation*]

Yesterday, Rajhansji said that only statistics did not provide bread. He was right. Temperature will not come down by merely gazing at the temperature chart. Temperature Chart helps in diagnosing the disease only—whether it is Malaria or Typhoid. If you fail to diagnose the disease, you may give quinine to the patient suffering from typhoid and chloromycetin to the patient suffering from Malaria.

The utility of these statistics or charts is to diagnose and understand the issue. The interest of the patient is that his temperature should become normal.

DR. G.S. RAJHANS (Jhanjharpur) : It cannot be diagnosed from the tem-

perature whether it is Malaria or Typhoid. It can be diagnosed only by blood test. People do not believe in your statistics. They do not feel that they will get goods at cheap rates. I am telling you the truth.

SHRI VISHWANATH PRATAP SINGH : I am not saying that you should believe in them. You are saying it on your own. What I am stressing is that the common man or the patient is interested only in the result, i.e., his temperature should become normal. He is not concerned whether you take his X-ray, etc.

DR. G.S. RAJHANS : We are only interested in it that the prices should come down.

SHRI VISHWANATH PRATAP SINGH : We are all one in this matter.

[*English*]

SHRI INDRAJIT GUPTA : Unless you remove the infection in the blood, how can the fever come down ?

[*Translation*]

SHRI NARAYAN CHOUBEY : In the first instance you must reduce the prices of goods ..

(*Interruptions*)

[*English*].

SHRI VISHWANATH PRATAP SINGH : When I come to the Budget, I will come to that point, not now.

Coming to retail prices, I have submitted to hon. Members an all India study of various retail prices because the debate is generally on wholesale price index, but it covers all individual items. You will find the document in Appendix—E; this is from various parts of the country and on specific items like rice, wheat, sugar, groundnut oil, etc. . .

SHRI S. JAIPAL REDDY (Mahbub-nagar) : Which papers are you referring to ?

SHRI VISHWANATH PRATAP SINGH : I have laid it on the Table of the House. I hope the hon. Members have received it....

SOME HON. MEMBERS : Yes, we have received.

SHRI VISHWANATH PRATAP SINGH : If you see the retail prices, in the case of rice, there is a small rise as compared to last year in kharif, there is always some rise before the new crop comes. The wheat prices have remained generally at what they were last year. The sugar prices have shot up, the gur prices have shot up. The groundnut oil prices have remained the same, may be they are a little lower than what they were last year. The price of gram has shot up. The prices of other pulses have remained at what they were last year. The price of potato has moved up, but that of onion has declined as compared to last year. The price of meat has gone up, the price of fish has gone up but that is not common man's food...

[*Translation*]

SHRI NARAYAN CHAUBEY : We cannot do without fish.

[*English*]

(SHRI VISHWANATH PRATAP SINGH) : Meat is not common man's food...

AN HON. MEMBER : No (*Interruptions*)

(SHRI VISHWANATH PRATAP SINGH) : Alright. The price of meat has gone up. But the price of cloth, by and large, with a little variation, has remained at what it was last year. This is the overall picture truthfully.

Yesterday, Shri V.C. Jain very correctly placed three items as the culprits, namely, sugar, vegetables and pulses...

AN HON. MEMBER : Chillies also.

(SHRI VISHWANATH PRATAP SINGH) : There are a thousand items in the country. You can always pick up one item

[Shri Vishwanath Pratap Singh]

or the other. Basically, the point which Mr. V.C. Jain made was....

[*Translation*]

(SHRI NARAYAN CHOUBEY : The question is whether the items should be available at these prices ? Even pulses are not available at less than Rs. 8 per Kg.

(SHRI VISHWANATH PRATAP SINGH) : In case you take Basmati rice it will not be available at the notified rate. Rate is meant for the common man.

[*English*]

So, this is the general pattern. A further analysis has been made. The contribution of fruits, vegetable, sugar and khandsari to rise in the wholesale price index is there ; we agree. If you see Annexure—C, fruits and vegetables have contributed 34 per cent to the rise, gur and khandsari have contributed 37 per cent to the price rise. These items have contributed 71 per cent to the price rise. But may I ask what is the budgetary policy or philosophy on sugar and vegetables ?

It is a non-budget item. Now coming to sugar Here, the price rise can be due to budget imposition. It can be due to rise in agricultural prices. It can be due to profiteering; it can be due to shortage of supplies, blockage in distribution channel. There are various factors. So far as sugar is concerned, the main reason for price rise is the gap between consumption and supply. We have attained a production level of above 80 lakh tonnes. Now it is going above 80 lakh tonnes. But the consumption has gone up more than 80 lakh tonnes. There is a gap of 20 lakh tonnes of sugar. This is the main operative part of the prices and this is the price situation so far as the sugar is concerned.

Now coming to vegetables, there is 34% rise, which is by and large a seasonal rise. If you look at Annexure-B, every year you will find 24% rise, 30% rise, 33% rise, 37% rise and in the last year it was 60% rise. Well, if you don't want to call it seasonal, I am ready to

take a bargain on it, when October comes I will take it. Then at that time don't say that it has gone down for reasons, if you don't want to take an aggregate price level. But basically the point is this. Apart from this, now let us see what we can do. That is more relevant. We have to see three items-increase of supplies, improved distribution, and dehoarding. Where there is regular profiteering, it should be stopped. Now let us see how these are amenable. Sugar supplies can be increased. We should try to ensure that we have got stocks. There is no problem in augmenting supplies. This is a short term problem. In the long term it may be solved. Already steps are being taken to improve the distribution system. There are some problems. Lifting from the States has improved. Allotment for July was 1,25,000 tonnes. They have already lifted 46,000 tonnes. It is improving.

I come to dehoarding. This is an area where on the bigger level tax evasion is there. Certainly we can take care of this. But basically it is an Essential Commodities Act, which comes into the purview of the Food and Civil Supplies Ministry coordinating with the State. They take action.

We cannot augment short term supply on vegetables. Vegetables cannot be grown overnight or in fifteen days all over the country. There is no hoarding possible as far as vegetables are concerned. Vegetables cannot be hoarded for long.

PROF. N. G. RANGA (Guntur) : Growers also have to be protected because these things won't last long.

SHRI VISHWANATH PRATAP SINGH : This is a short term policy. I am saying that in 15 or 20 days you cannot grow more. Here in the distribution system, alternative competitive marketing should be there where you have got facilities, so that you increase the production and sell it at lower prices. We are taking action about this.

When it comes to sugar, the question of over all analysis etc., goes away. We

have decided that the price of the imported sugar by State Governments is being reduced from Rs. 5.40 to Rs. 5.20. The State Governments will correspondingly sell imported sugar in the free sale at less than Rs. 5.80 as against Rs. 6/- prevalent at present. A similar reduction in the imported sugar price is being made exclusively for action by FCI.

SHRI MADHU DANDAVATE : At what price are you importing sugar ?

SHRI VISHWANATH PRATAP SINGH : An additional quantity of 50000 tonnes of imported sugar has already been made available for release as levy sugar in the month of August. More sugar will be available to each family at Rs. 4.40 per kilo. The Food Ministry has considered releasing a further quantity of 50000 tonnes of indigenous sugar in the free sale market, thus making a total of four lakh tonnes free sale sugar in the month of August. We are taking concrete steps to augment the supplies.

About the rise in prices, the question is at what price do you get and at what price do you sell ? Rs. 4.40 is the levy price which we have calculated on the cost of the sugar cane for the grower. Next year do you want to depress it below levels which will be going to hit the grower ? That is one point that is the macro economic price we have to see in the long-term.

May I ask ? If you see the hike-up, the margin money, on the price of wheat, that is the hike up after the FCI release price, then you will see in Karnataka the hike is Rs. 28. Almost it is one of the highest in the country. In West Bengal the hike is Rs. 24.

SHRI INDRAJIT GUPTA : After what ?

SHRI VISHWANATH PRATAP SINGH : This is over and above the FCI which is Rs. 172. But the hike on wheat over Rs. 172 in West Bengal is Rs. 24. May I know why it is that high ? It is one of the highest. In Karnataka it is Rs. 28. Let us not go into those details.

PROF. MADHU DANDAVATE : Where do you hand over the commodity ? Then there are transport charges and handling charges.

SHRI VISHWANATH PRATAP SINGH : It is there in other States also where there is a much lesser hike. These States are in the plains, not hilly areas.

SHRI SHYAM LAL YADAV (Varanasi) : This is too much.

SHRI S. JAIPAL REDDY : What about Kerala ?

SHRI VISHWANATH PRATAP SINGH : But what we have to take is the long term perspective, in regard to these commodities. Then there is a conflict between the long term and short term requirements. For instance, sugar imports is the solution to bring down the price of sugar. We can solve it because we have got foreign exchange reserves. But it is the total picture we have to take into account—the price to the sugar cane growers, the sugar price, its modernisation and many other points have to be looked into and that is a long term solution. Edible oil is another example. For price consideration we have to keep it down, but for production consideration even Agriculture Minister said that there is a little more price for the grower and over a period of time the price Index may go up. By this the grower will get more incentive and the long term problem will be solved. Sometimes it becomes politicalised and various measures have to be taken. But we have to keep a balance of that and keep an eye on the long term and short term aspects.

About the steps taken against black-marketeers. Indrajit Guptaji just now said that we do not have the will. May I say that this year in contraband seizures we have seized 3 times the quantity of contraband we seized in the whole of last year. The seizure was of the order of Rs. 101 crores. This year in gold the seizure was Rs. 30 crores whereas last year it was only Rs. 10 crores. Not only this we had Operation Kethu recently where the foreign exchange dealers indulging in under-invoicing and over-invoicing

[**Shri Vishwanath Pratap Singh**]

were caught. They were sending goods to destinations which were prohibited, and a big operation was done and several crores worth of mishandling and all those were caught. I can assure you that we are not going to relent. We are going to make the laws tougher and we will come to this House and we will plug the loophole. We are creating a revenue intelligence bureau and there is going to be no let up.

PROF. MADHU DANDAVATE : Black money has gone up to Rs. 37,000 crores. Tell us what you are going to do about it.

SHRI INDRAJIT GUPTA : *Toda tem- peratureku uthariye na ?*

SHRI VISHWANATH PRATAP SINGH : It is not that it has gone up right now. There is no doubt that black money is there. Various measures will have to be taken. We will have to tackle it on the economic administrative as also on the political fronts. . . . (*Interruptions*) Choubeyji, you must be knowing the political under-world much better than I know.

[*Translation*]

SHRI NARAYAN CHOUBEY : How many persons have been sent to jail ?

(*Interruptions*)

English]

SHRI VISHWANATH PRATAP SINGH : Yes, under COFEPOSA this year it is 60% higher than last year.

SHRI INDRAJIT GUPTA : How many prosecutions or convictions ?

SHRI VISHWANATH PRATAP SINGH : Under COFEPOSA we have locked behind the bars 50 per cent more than the last year.

Now, we come to the general parameters and the overall impact of the money flows and the tax imposts. The rate of inflation is lower than the last year. It is the rise of whole-sale price index. You have Annexure 'B'. Here it is not point to point correspondence as

Prof. Dandavate said but it is the whole-sale price index rise in the financial quarter of three months. That percentage is the lowest. If we see the consumer price index, namely, annexure 'A' in the year 1980 in the months of January-March the consumer price index rise was -1; in 1981 +12; in 1982 it was -3; in 1983 +5; in 1984 it was -1 and in 1985 it was -2. So, it is of the same order. Consumer price index annexure 'A' April-June 1980 (it is in points) +13; in 1981 +19; 1982 +13; in 1983 +31; in 1984 +16 and April-May figures for 1985 it is +14. It is of the same order as was last year. [*Interruptions*]

PROF. DANDAVATE : I refer you to the graph that you have given. Continuously from 1981 to 1985 the graph is going up. It is 3.7; 3.9; 4.6 and 5.1. Continuously it is going up and the trend is continuing.

SHRI VISHWANATH PRATAP SINGH : That is not true. In 1983 the rate of inflation was 7.2; in 1984 it was 9.3 and in 1985 it is 5.6. (*Interruptions*)

Sir, he says that he has got the figures for five years. The rate of inflation from 1981 comes to 6.5 per cent. He will never have the opportunity of five years I think, ever. He had the opportunity of three years and it was the golden period.

SHRI GIRDHARI LAL VYAS (Bhilwara) : Not even three years.

SHRI VISHWANATH PRATAP SINGH : Yes.

PROF. MADHU DANDAVATE : We might have five like two plus two plus one.

SHRI VISHWANATH PRATAP SINGH : Let us come to deficits. What are the options ? Deficit is equal to your resource that you have raised minus expenditure. Either you raise more resources or you reduce the expenditure. Raising of additional resources is by methods of taxation or by buoyancy of public sector revenues. As regards taxation, percentage-wise we are almost reaching the limits.

We can achieve buoyancy which we are trying. Public sector internal resources we are banking on 35,000 crores. We have to strengthen public sector and we will do it.

Coming to expenditure cut, since there is criticism of the public sector and anti-poverty programmes we cannot cut expenditure. On your non-Plan side Defence, interest and subsidy constitutes 73 per cent of your expenditure. Are you going to cut your Defence expenditure?

Are you going to cut subsidy on food and fertiliser? The point was made that we have come with a supplementary and that will add to further deficit. May I say that last year in 1982-83, budget estimate was Rs. 1375 crores supplementaries came to 2202 crores of rupees? The total of both the budget estimate and the Supplementaries worked to Rs. 3577 crores and the Final deficit came to Rs. 1656 crores. For 1983-84 the budget estimate deficit was Rs. 1586 crores, Supplementaries came to Rs. 2940 crores. The total of both works out to Rs. 4526 crores and the Final Deficit came to Rs. 1417 crores. Similar is the position for the year 1984-85. When we do more public spending, some of the money, a portion goes back to the Government and the corporate sector. About 52% of the tax are from the public sector units. So, it is ploughed back. Otherwise the deficit would have been double the budget estimates plus the supplementaries. But this has never happened.

PROF. MADHU DANDAVATE : For 1984-85, it comes to Rs. 3985 crores.

SHRI VISHWANATH PRATAP SINGH : I am saying of actuals. You never know the actuals. My difficulty is this.

PROF. MADHU DANDAVATE : For 1984-85, how can they give the figures? You have only the revised figures.

SHRI VISHWANATH PRATAP SINGH : For 1984-85, the budget estimate was Rs. 1773 crores and the supplementaries were Rs. 3612 crores. The total of both came to Rs. 5385 crores and the final deficit was Rs. 3742 crores. Now, a point was made about the inflation out-

side the country, that is, in other developing countries and here I will not refer to that point. But certainly in developing countries inflation is between 34% and 37% compared to what has been happening the developed countries or in the Western world. In Europe, it is 17.3%, in Middle-East, for Latin America, it is 113% and for developing countries, it is between 34% and 37%. A point was made from the Opposition, that the highest rate of inflation was in India. Hon'ble Member, Mr. Zainal Abedin made this point. That is why I am replying to his point.

Now, I am skipping over over-drafts, etc. because we have cut that source. Much point has been made that big concessions have been given. Has anybody counted that? In the direct taxes, only Rs. 200 crores were in personal taxation. This amount of Rs. 200 crores from the amount of Rs. 4500 crores which have been given out of which under the lower income brackets, there was a concession of Rs. 50 crores and in the second income brackets there was a concession of Rs. 70 crores. So, a total of Rs. 130 crores shown and that has been pointed as a big concession.

AN HON. MEMBER : What about the corporate tax?

SHRI VISHWANATH PRATAP SINGH : About the corporate taxes, we have taken credit of Rs. 250 crores. Concession has been given mainly in our indirect taxes for public sector, power equipments, and fertilizer imports. That will go to reducing the cost of economy, not on the direct taxation side.

PROF. MADHU DANDAVATE : Exemption limit that has been raised to MRTP houses is also some sort of concession.

SHRI VISHWANATH PRATAP SINGH : It is not a taxation proposal. But we have kept the capital angle in tact. Now, I have not much to say about the prices, but all the hon. Members insist about one thing, and it is not a question of so much of debate but of taking action we will take. If the monsoon is quite favourable—because that is one factor which no Finance Minister can fight—I will be within

[Shri Vishwanath Pratap Singh].

the manageable limits. That I can assure you and we hope that we will manage. Thank you.

SHRI INDRAJIT GUPTA : Has he convinced Mrs V.P. Singh about it ?

SHRI VISHWANATH PRATAP SINGH : She does go to the market herself to purchase grocery and in fact, she has given me the price of Rs. 7/- per kg. of sugar.

SHRI INDRAJIT GUPTA : Members are worried about their wives.

PROF. MADHU DANDAVATE : The fact is that Finance Minister's wife wants to join the Opposition Parties. I am giving him this confidential information.

SHRI VISHWANATH PRATAP SINGH : I confess that every breakfast time is an opposition debate with her.

15.31 hrs.

CRIMINAL LAW AMENDMENT
(AMENDING) BILL

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL AND TRAINING, ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES AND PENSION AND IN THE DEPARTMENT OF CULTURE (SHRI K.P. SINGH DEO) : I beg to move that the Bill further to amend the Criminal Law Amendment Act, 1952, be taken into consideration.

MR. DEPUTY-SPEAKER : You can continue later on.

15.32 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[English]

Second Report

SHRI HAFIZ MOHD. SIDDIQ (Moradabad) : I beg to move :

"That this House do agree with the Second Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 1st August, 1985."

MR. DEPUTY-SPEAKER : The question is :

"That this House do agree with the Second Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 1st August, 1985."

The motion was adopted

15.33 hrs.

RESOLUTION RE : RELIEF TO FARMERS AFFECTED BY DROUGHT

[English]

MR. DEPUTY SPEAKER : The House will now take up further discussion of the Resolution moved by Shri Janak Raj Gupta on the 17th May, 1985.

Shri Chintamani Panigrahi to continue his speech.....He is not there.

Shri Girdhari Lal Vyas.

[Translation]

SHRI GIRDHARI LAL VYAS (Bhilwara) : Hon. Deputy Speaker, Sir, in the Resolution under discussion here it has been stated that the entire country is drought prone. But I would like to tell you that Rajasthan is the worst affected by drought. The hon. Minister, Shri Buta Singh is present here. His constituency is also the worst affected. All the desert districts of Rajasthan bear the brunt of drought. In addition, other districts of southern Rajasthan also get affected by drought.

Fortunately, the hon. Minister, who is present here, also belongs to our area. It is his duty to see that maximum possi-

ble relief is provided to the drought prone areas of Rajasthan so as to improve the condition of the people there. They do not have drinking water facility. The sources of drinking water have gone dry. Rains are also scanty there. Be it southern Rajasthan or Western Rajasthan, rains are scanty everywhere. That is why all the water sources there have gone dry. Foodgrains are not being made available to the people there. People are not getting foodgrains from the fair price shops opened under the Public Distribution system. The people of Rajasthan have to face several hardships on this account. So long as you do not provide relief to the drought affected people, the situation will not improve.

The entire amount provided for the flood affected areas is given in the form of a grant, but for the drought affected areas, the amount is sanctioned as a loan. It is a great injustice to us indeed. In a State like ours, where drought is a regular feature, we spend the funds allocated for plans on the drought affected areas. When the amount is spent on relief work, all the developmental works come to a standstill. I would request that just as you sanction the entire amount as subsidy for the flood affected areas, for drought prone areas also, the entire amount should be treated as a grant.

Secondly, I would like to submit that people do not die in floods and not much damage is caused to the crops, though it is said that crops worth Rs. 600 crores have been damaged due to floods. If there are floods in Rajasthan we would produce foodgrains in a single crop which we generally produce in two crops. That is the advantage of floods in our area. When there are floods, relief is given, but not in case of drought, although the crops perish in drought and grass withers away and there is no other succour, yet the Central Government do not provide any relief to Rajasthan. The drought affected States do not get any help. The study team has estimated the damage to crops at Rs. 600 crores, as revealed by the Irrigation Minister but the brighter side of the floods is that there will be a bumper Rabi Crop in the flood affected areas

which will compensate the damage caused due to floods. But in the area affected by drought, there is no question of making up the loss, instead the farmer's land, his hearth and home, his livestock, his jewellery are all sold. His life is in disarray and it is all due to drought and in spite of this we do not get the concessions and relief which we should get otherwise. We do not get the relief in time which results in people not being able to earn their livelihood. As there cannot be any cultivation in drought affected areas, some regular alternative employment opportunities should be found out so that the people may get employment on a regular basis. Those who are below the poverty line and those who do not have enough means or any other job must be provided with employment and attention should be paid to them. They have not benefited from NREP and IRDP programmes so far. How will they fend for themselves under these circumstances. The Planning Minister is also present here and he should pay particular attention to Rajasthan in this respect because that State suffers the heavy loss on account of drought and it should get aid which at present it is not getting from the Government of India. I have been continuously drawing the attention of the Government for the last 6 years in Parliament and all the Members from the Western districts, who are present here, have also been supporting the case, but no attention has been paid to it till today for reasons best known to you. Now have an hon. Minister from Jalore and he should take up this case. Just as you give subsidy for flood affected areas, subsidy should be given for famine affected areas also so that they could earn their livelihood and overcome the difficulties. There is need to make immediate provision for all this and it should be done at the earliest.

Wherever drinking water facility is not available, it should be provided. I would request the hon. Minister of Planning to consider the proposal of Bisalpur Dam submitted by Rajasthan Government which would provide drinking water facility to big cities like Jaipur, Ajmer, Kishangarh Naseehabad, Beawar, etc. These cities do not have a proper source of drinking

[Shri Girdhari Lal Vyas]

water but still the hon. Planning Minister is not giving approval for Bisalpur Dam. As a result thereof, the people in these cities are facing hardships on account of drinking water scarcity. Buta Singhji, you should also espouse our cause.

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT (S. BUTA SINGH) : I am supporting your case.

SHRI GIRDHARI LAL VYAS : Bilaspur Dam should be approved immediately and these big cities should be provided with proper drinking water facilities. The situation in Beawar, Ajmer and Jaipur is so bad that the people get water for one hour only which is causing great hardship to them. But in spite of this distress, the hon. Minister is not taking any steps. There is widespread discontent and resentment among the people who live in the big cities. They often complain that even though the Cong-I Government is there both in the State as well as at the Centre, yet no one pays any attention to them so that proper arrangements for drinking water are made. The proposed dam can meet the requirements of drinking water, boost the irrigation facilities and can provide other facilities also.

Mr. Deputy Speaker Sir, I would, therefore, draw the attention of the hon. Minister to the fact that during drought, the condition becomes deplorable. You may conduct a survey in the villages and see for yourself. The people have to face good deal of hardship during drought. Cattle do not get fodder and they have to be taken miles away for grazing. When the flock returns they are reduced to half. People have to trudge a distance of as much as ten kilometres or more in search of potable water. One person is solely engaged in this job in every family. The drinking water supply position is deplorable. One can live without food but how can one live without water ? The criterion that the drinking water facility should be available within 1.6 kilometre range is not being strictly followed in Rajasthan. Shri Virdhi Chander Jain is present here and he would bear me out. Some of the villages are spread over an area of 100

sq. miles. If the village has one well, how will it be able to meet the requirement of such a large area? Sometimes the distance between one end of the village and the other may be as much as 20 to 25 kilometres. If the criterion of 1.6 kilometres is followed strictly, it would certainly help the people of Rajasthan. Milk is available in abundance in Rajasthan but there is scarcity of drinking water. We have been crying hoarse for the past many years over supply of drinking water but to no avail. The funds are given but it is just like drop in the bucket. We get Rs. 10 to 15 crores but that does not serve the purpose. If the whole requirement is to be met, we should be given Rs. 400 crores lump-sum so that drinking water could be made available to all. Tube-wells, hand pumps, canals and other programmes could be completed if lump-sum amount is made available to us. Similarly, there is need to give aid for other areas also. The population of livestock is the highest in Rajasthan. You cannot imagine the difficulties in rearing the cattle. In the absence of fodder, cattle perish in large number every year. Provision should be made to check it. This is the livestock of rare bread. It would request the hon. Minister of Agriculture to instal tube-wells in some areas of Western Rajasthan and develop pastures so that the precious livestock could be saved. Alternative employment should also be provided in Rajasthan. Of the 3½ crore population in Rajasthan, over 1 crore people are affected. Unless and until you make regular arrangements, it will not be possible to meet their need. (Interruptions)

Mr. Deputy Speaker, Sir, I would request the hon. Minister to make provision for suitable employment opportunities at least in Rajasthan and provide funds so that people may get work and make both ends meet.

With these words, I support the Motion moved by Shri Janak Raj Gupta.

[English]

SHRI GADADHAR SAHA (Birbhum) : Sir, I rise to support the Resolution moved by Shri Janak Raj Gupta. This

time we are confined to a discussion on the drought, and the extent of damage caused thereby, in absolute isolation from all other natural calamities like flood, landslides, snowfall, cyclones etc.

Agriculture is the main economic activity in India, and there is a limitation on Indian agriculture. Dependence of agriculture on Nature and monsoon is a widely accepted, undisputed fact. The rain-fed area is much larger, in comparison to irrigated area in India. The system of canal irrigation in India is one of the largest irrigation systems. But the yield is the lowest even during the monsoon, it has a very low level of water, because it depends on rainfall. It is mainly rain-fed and the planning is defective and incomplete.

In this context, we have to take into account the drought and the extent of damage caused by it on our life and society and rural economy, as a disastrous event which has far-reaching consequences. It is a well known fact that India is the paradise of natural calamities. Flood and drought visit India frequently. In some parts of our country, there is little rain; so there is drought. In some other parts of our country, there is much more rain, and there is flood. In yet other parts of the country, there is deficit in the rainfall. In some other parts, the rainfall is normal. Whenever monsoon is good the harvest is good. There is no credit to be given to the Government and the planners of our country for this.

So, every year we have the experience of natural calamities—flood or drought. Since 1979 till now, we have been experiencing the consequences of drought and flood. During 1984-85 there has been this prevalence of drought. This year also, there is the occurrence of drought. During 1984-85, more than 106 million people, in 170 districts of nine States were affected by drought.

And over 321 lakh hectares of cropped area was affected by drought. The Population affected in Andhra Pradesh was 36.45 lakh and the cropped area affected was 49.05 lakh hectares, in Himachal Pradesh,

the population affected was 21.52 lakhs and the cropped area affected was 1.98 lakh hectares; in Karnataka; population affected was 136.43 lakhs and the cropped area affected was 38.74 lakh hectares; in Madhya Pradesh, the population affected was 119.95 lakhs and the cropped area affected was 52.45 lakh hectares; in Maharashtra, the population affected was 182.40 lakhs and the cropped area affected was 83.93 lakh hectares; in Orissa, the population affected was 75 lakhs and the cropped area affected was 13.83 lakh hectares; in Rajasthan, the population was 92.10 lakhs and the cropped area affected was 40.32 lakh hectares and in Uttar Pradesh, the population affected was 289.67 lakhs and the cropped area affected was 40.54 lakh hectares. So, this is the extent of damage caused by drought in these States.

During 1985-86, Maharashtra, Madhya Pradesh and Karnataka submitted their second memoranda for drought and damage by drought. In Haryana, there has also been drought and the population affected was 75 lakhs and cropped area affected was 85 lakh hectares. From West Bengal, we received a teleprinter message no. 8959 dated 25.7.1985 (0838 hrs) and 8970-71 dated 25.7.85 (1828 hrs). which reads as follows :

“During April 1985 reports about prevalence of drought condition were received from a number of districts in South Central and North Bengal. Water table went down alarmingly in all the districts resulting in acute scarcity of drinking water. Sowing of jute and summer rice delayed and standing crops and vegetables dried up.”

During the months of June and July 1985 there was normal rain in the sub-Himalayan districts of West Bengal, but in the Gangetic West Bengal districts there was deficient rainfall.

MR. DEPUTY SPEAKER : Please conclude now. You have already taken ten minutes.

SHRI GADADHAR SAHA : Therefore, the rainfall was very erratic and highly

[Shri Gadadhar Saha]

irregular, localised and the transplantation operation in the districts was affected. The progress of transplantation operation in districts was only to the extent of 25 per cent. The West Bengal Govt. sanctioned drought relief in cash and kind. The Central Government should take this widespread natural calamity and treat it as a national issue. The Central and State Governments should join hands together to tackle this problem. The Centre should sanction adequate drought relief for these States and I think that the Central Government should examine and review the norms, guidelines and of procedure for giving central assistance to States fight out this natural (calamity) and stress on long term measures like increase in irrigation facilities, minor Irrigation Programme, Soil and Water Conservation Programme, Social forestry and water supply, Schemes and provide sufficient fund for their execution.

MR. DEPUTY-SPEAKER : Shri Mool Chand Daga.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Mr. Deputy Speaker, Sir, one third of the area in India is drought prone and on an average the country suffers annual loss to the tune of Rs. 2000 crores, while the Government have to spend Rs. 200 crores every year on relief works.

The first question is how much money has been spent on this count. I would like the hon. Minister of Agriculture to tell us the amount of funds spent so far on famine relief operations and the permanent assets created with that money and also whether the funds are spent judiciously and for the purpose for which they are earmarked.

Rajasthan has 26 districts and the district from which the Chief Minister or a Minister has been elected is declared as a famine affected district. The *Patwari* has been empowered to declare a district as such. What happens is that the *Patwari* enters in his revenue records that so many villages have been affected by famine and the area is declared as famine affected. I would like to know the total funds spent in the name

of famine in these areas in Rajasthan from where all the Chief Ministers have been elected so far. Their constituencies have been developed.

SHRI ZAINUL BASHER : There might have been Ministers from your area also ?

SHRI MOOL CHAND DAGA : None has come from my area. This is the difficulty:

S. BUTA SINGH : Now there is one.

SHRI MOOL CHAND DAGA : Now there is one. Now water has been mixed with milk, you are milk and we are water, but please see that earmarking of funds is fair, whenever you do it.

What is the position regarding famine? I would say it is man-made. How can there be famine conditions when water is available? Presently, our Chief Minister is from Doongarpur. It has been declared a famine affected district.

This situation is caused there because of famine. Have Government ever seen whether the funds provided are utilised properly? You must monitor it from time to time. The concerned officers do not go there to ascertain the number of the affected villages. They record the names of the villages sitting in their homes and work out the estimate of losses. The study team sent from the Centre stay in dak bungalows, rest house and enjoy good food. Rest houses have been built, engineers' houses have been built in the name of famine relief. Have you ever verified the expenditure claimed to have been spent on famine which runs into billions of rupees? Rajasthan would have benefited a lot had a dam been constructed there. I would like to know from the hon. Minister the total amount that has been spent so far on famine relief operations.

Rajasthan is neglected and nobody has the time to visit it. Ministers do not go there. The statistics of the villages affected in Rajasthan are : 1904 in 1979-80 ; 21379 in 1980-81 ; 23246 in 1981-82 and 22572 in 1982-83. This year also there has been enormous loss. The statistics shows that the conditions in Rajasthan

are deplorable. During the span of these 18 years, Ajmer was affected 40 times, Alwar 12 times, Bharatpur 12 times, Bhilwara 14 times, Bundi 10 times, Pali 13 times and Jalore 13 times. This shows how often famine occurred in Rajasthan during 18 years. On the basis of the recommendations of the Eighth Finance Commission, the Government decided that 50 per cent of the funds for this region would be given in the form of grant. Yesterday, I asked a question and the reply thereto it was stated that arrangements should be made to provide irrigation facilities to farmers. The water resources available in the country are not being utilised to the full extent through irrigation projects. They are going waste. Drainage channel's have not been constructed on scientific basis. There are no arrangements to provid water while irrigation projects are incurring losses. In his first speech, the hon. Prime Minister had emphasised the need for proper utilisation of each basis. But, here the money is being 'Utilised properly' to benefit a few. In a famine-stricken area, some people are languishing but others are becoming properous. The High Court in its judgement has said that a labourer should be paid a minimum daily wage of Rs. 7, but, there the labourer is asked to dig a 5'x3' chauk of land and if he fails to complete this work he is given a wage of Rs. 3 only, thus violating the above judgement stipulating Rs. 7 as the minimum wage. I have figures with me they are paid Rs. 3.50 only. The famine code is not a new code. It has never occurred to the Government to evaluate how the funds were spent on famine works and the extent to which they were properly utilised.

There is another new feature as far as drought prone areas are concerned.

16.06 hrs.

[SHRI ZAINUL BASHER in the Chair]

The report submitted by the study team is examined by a high level committee which decides the amount to be sanctioned and nobody can question its decision. Secondly, the famine relief operation will be undertaken at the instance of a Minister, ignoring the villages specified by the Collector. So, there is politics in

famine also. Relief operations will not undertaken in the famine affected village; they will, instead, be started in the villages not affected by famine. If an M. L. A. pays a visit to the Minister and demands that two ponds be constructed, the Minister will make a commitment to that effect, whatever the recommendation of the Collector might be. Therefore, my plea is that you go into the details and find out some remedy to root out such widespread corruption. These days, the States want to extract as much money as possible in the name of floods, drought and famine and Government are nonplussed. I have not come across any official record or reports containing information to the effect that so much expenditure was incurred and that such and such works were carried out or that any Parliamentary committee was appointed to examine the expenditure incurred on drought and famine relief works and evaluate the work done. Hundreds of crores of rupees are spent with no tangible results. We raise our voice here daily but all in vain. I appeal to you to look into this.

SHRI BHARAT SINGH (Outer Delhi) :
Mr. Chairman, Sir, I support the Resolution moved by Shri Janak Raj Gupta. Many hon. Members have expressed their views on this Resolution. There are no two opinions that the labour of the farmer goes waste when the sprouting crop sown by him with his hard labour withers away for want of rains. He incurs heavy loss and is unable to make up this loss caused by natural calamity for years together. He is completely ruined when his crop is affected by drought. He toils the whole day to earn something to meet the school expenses of his children, purchase clothes for them and to buy fodder for his cattle. We should, therefore, concentrate more and more to provide irrigation facilities. The aim of the 20-Point Programme is to assist the farmer in all respects. He is given loan and tube-wells have been installed at many places. Irrigation facilities have been provided for the land which is dependent on rains. You should construct dams at various places to utilise the rain waters which flow into the rivers and into the sea and canals should also be constructed to provide maximum irrigation

[**Shri Bharat Singh**] :

facilities. When the drought conditions prevail, the farmer does not get fodder for his cattle. He has to transport it from far off places and at the same time this fodder is not as good as grown in the fields. The fodder contains clay, pebbles and stones as a result of which the cows do no give milk. Thus the milk of the cows is reduced to one-fourth. If more attention is paid towards irrigation, the impact of drought will be less severe and the agricultural production will go up. The cattle will also get good fodder.

You may be aware that in the villages besides the farmers, there are also the landless and the harijans whose sole source of livelihood is labour in the farms. When the crop is ready for harvesting, they work day and night and earn their livelihood for only six months. But, once the harvesting work is over, they become unemployed. You should pay attention towards it. Whenever drought occurs in any part of the country, all the families in the villages are affected by it. There are no two opinions that Government help them in such a situation. They provide them funds for fodder and seeds and also help them in every respect. But this help is grossly inadequate to meet their needs or the loss suffered by them. The farmer is able to overcome this adversity if it rains next year and he toils in the land to produce a bumper crop. In our country 113 million hectares of land is dependent on rains. This cannot be irrigated. Government have provided irrigation facilities in 60 million hectares of land but still vast area of land is dependent on rains. If more land is brought under irrigation, the impact of drought will be reduced. As regards rains, at certain places it is so heavy that it results in floods which cause devastation. For instance, Bihar is generally affected by floods. But Rajasthan is affected by drought as a result of which farmers are ruined in every respect.

So, I would like to urge the hon. Minister of Agriculture that he should look into the matter as a farmer. He belongs to Punjab and has been helping Punjab in every way. He should pay maximum attention to providing irrigation

facilities. Efforts should be made to provide maximum benefits to the farmers, labourers, and the landless. More funds should be sanctioned for this work. In the drought affected areas, taccavi loans should be given and the realisation of land revenue should be waived to alleviate the burden of the farmers so that they may work hard next year to grow more good grains.

SHRI HARISH RAWAT (Almora) : Sir, I am thankful to Shri Janak Rajji because through his Resolution we have got an opportunity to draw the attention of the Government to the drought conditions prevailing in some States. This year, many areas of the country have been affected by drought. Some of these areas were not generally drought prone areas. Only the experts can give their opinion regarding the causes of the drought and its solution or how the Government can be helpful in this matter. But I would like to draw the attention of the hon. Minister to the fact that the assistance given for drought is received so late that it loses its utility for the concerned people. This year, Uttar Pradesh has been affected by a severe drought and my area, which has perhaps been affected by drought for the first time in the history, is the worst affected. When the hon. Members used to raise the issue of drought here, we never realised its seriousness as much as we have realised now when we ourselves have become victim of drought. Besides, the steps taken by the Government ..

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS AND IN THE MINISTRY OF HOME AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : It is true.

SHRI HARISH RAWAT : When the hon. Minister has himself said that it is true then nothing is left to be said, because he himself was in the department sometime back which looked after drought. When he was in this department, no funds were provided to Uttar Pradesh in spite of its being affected by drought. So I would like to urge the hon. Minister that there should not be recurrence of

the situation prevalent during the tenure of Arif Sahib. The Government of Uttar Pradesh have submitted their memorandum to this effect in time and a reminder has also been sent. You have granted about Rs. 30 crores to them. I do not think any favour has been shown by granting this amount to Uttar Pradesh where about 32 to 34 districts are completely affected by drought and 8 to 10 districts are partially affected. This amount is inadequate to alleviate their distress. If you want to give them relief, you should grant the amount demanded by them.

The Government of Uttar Pradesh have submitted to you a long term scheme. The Centre had sent a Study Group there to assess the situation. This scheme was also submitted to the Study Group. The administration at the district level had also given suggestions to the Study Group. I hope you must have received the report of the Study Group there without delay and I would request you to ensure an early submission of the report by the Study Group.

MR. CHAIRMAN : Now there is no drought.

SHRI HARISH RAWAT : Of course there is no drought now.

MR. CHAIRMAN : My district was also in the grip of drought. But now there is no drought there. At present it is affected by the floods.

SHRI HARISH RAWAT : It is our great misfortune that we do not get assistance when there is drought and that is the time when we need it the most. Now there are floods. When we demand assistance to cope with the flood situation, it will be given at a time when the situation has eased.

I would request you to make available the amount demanded by the Government of Uttar Pradesh for the long term measure.

Mr. Ghafoor is present here. He might be remembering that an acute shortage of drinking water had occurred in some dis-

tricts of Uttar Pradesh and Rajasthan. When this question was raised before him, he had given a very good reply that when God was not in their favour what could he do ? I hope S. Buta Singh will not say so. If the whole Cabinet conveys our request to God then certainly He will show favour to us. To get the blessings of God, we need the favour of the whole Cabinet. The whole Cabinet will have to get streamlined to provide assistance to the people. If we receive the assistance in time, we shall think that God has blessed us.

Mr. Chairman, Sir, if we have to combat the drought and ensure that such a situation does not develop again, then, we should identify the drought prone areas. Necessary action should be taken as a long term measure to contain the recurrence of the drought conditions in those areas.

The country is not paying attention towards dry land farming. A board has been set up for this purpose but the money allocated for it is quite meagre. I would request the hon. Minister for Agriculture that the allocation of money under N.R.E.P. and R.L.E.G.P. should be increased for forestry. As there is no control over the implementing agency meant for this purpose, coniferous trees are being planted there which, instead of bringing greenery in the area, are absorbing the water from the soil. In some areas eucalyptus trees have been planted, in the hilly areas pine trees are being planted and the areas are shown abounding in greenery in the Government documents, but the real purpose is not served thereby. Just as you have involved the *Panchayats* and the people of the rural areas in this programme, it should be made obligatory on the part of the State Governments to utilise the funds provided under N.R.E.P. for planting such type of trees as may meet the demand of fodder of the people of the villages and to ensure greenery in the areas as well. It is of no use to make up the number by planting pine trees.

I would like to give another suggestion to the hon. Minister. The States

[Shri Harish Rawat]

are provided with funds under the N.R.E.P.

[English]

Mr. CHAIRMAN : Please conclude.

SHRI HARISH RAWAT : I was just at the take-off stage. You are asking me to land just now. I will conclude within three minutes.

[Translation]

I was submitting that the State Governments, share of the funds under the N.R.E.P. are not provided to them in time. This is adversely affecting the schemes being executed under the N.R.E.P. As regards R.L.E.G.P., the position is that the State Governments do not submit the projects to you in time and as a result, there is delay in granting the sanction. The result is that relief works could not be undertaken in the drought affected areas and the people are not getting the relief in time. The hon. Members of the House have drawn the attention of the Government to the situation of drought and I have also tried to do so. Although the severity of the drought is less in Ghazipur and Bahraich, yet I hope the Government will, as far as possible, make arrangements to provide relief for those parts of Uttar Pradesh which have been badly affected by drought and where the people are in dire need of relief.

[English]

SHRI NARAYAN CHOUBEY (Midnapore) : Sir, through you, I will draw the attention of my hon. Minister to the serious drought that has taken place and still is taking place in great parts of Orissa, I mean, Kalahandi. It is a good news that our Prime Minister visited the area. Sir, reports are coming in the Press and there is a debate that is taking place in the State Assembly of Orissa regarding this drought condition.

[Translation]

SHRI R.P. SUMAN (Akbarpur) : There was rainfall in the area after the visit of the Prime Minister.

[English]

SHRI NARAYAN CHOUBEY : If Shri Buta Singh goes, I think more rain will come. I am requesting him to go there.

Similarly, reports have come that in Western parts of Madhya Pradesh, there is a severe drought for the consecutive two or three years and the people have gone to looting, people have started selling their cattle, people have started selling all their ornaments and people have started leaving their homes also. There also, it is good that Rajivji has gone there. So long as Rajivji does not go there, the Governments do not work, do not fall in line. This is a very deplorable thing. When Rajivji goes there, some tubewells are sunk, some roads are laid and all these things are done. So, I will request my hon. Minister to visit these two places personally. Such areas are mostly tribals. If you want to save those people from leaving homes, the Government should ask the State Governments there to do something and the Centre should also give them funds to open gruel kitchen.

16.30 hrs.

[SHRIMATI BASAVA RAJESWARI in the Chair]

Sometimes we had some experience of gruel kitchen in West Bengal in 1967-68. The Government at that time opened gruel kitchens in large numbers. I would request the hon. Minister to see that the State Governments of Madhya Pradesh and Orissa also open gruel kitchens in tribal areas for Scheduled Caste and Scheduled Tribe people.

The monetary assistance given by the Centre to the States for the purpose of fighting drought and famine etc. is not proportionate to the havoc caused. It is not possible also for the Centre to give

so much aid. But then whatever money is given by the Centre is not properly spent by the States. I would request the hon. Minister to see that the state Governments spend the money you give to them properly. Only today a report has appeared in the press regarding spending of money in Kerala in the IRDP. I hope the hon. Minister will go through the report published in the Times of India today. It is stated therein that the muster rolls are full of mistakes. It is stated in the muster roll that so many people were paid on 29th, 30th and 31st of February. How they can be paid for 30th and 31st of February?

SHRI A. CHARLES : The present Opposition was in power then.

SHRI NARAYAN CHOUBEY : I hold no brief for any Government, present or past. If it was done by them, I blame them also. I do not say that my sheep are good or your sheep are bad (*Interruptions*)

Drought has not started in West Bengal still. We apprehend that there will be drought in several districts. There is very little rainfall in Midnapore, Bankura, Purulia and other districts of South Bengal. There is no proper rain this year. I do not think drought has set in. From now on I am making this appeal to the hon. Minister that in the event of drought, you have to take note of it and you have to extend help in proper time. There is very little rain in our areas.

One of the reasons for drought as stated by all the people of the Departments of Environment, of Agriculture and by the Prime minister is that whereas there should be 33% of land covered by forests, the area actually covered by forests is much less.

In reply to a question of mine, the Government have given a very evasive reply. It is stated that as per record so much forest land is there. But actually there is no forest land. Forests have been eliminated completely even in the Himalayan regions such as UP, Bihar and West Bengal. There is complete deforestation

in almost all States. In Madhya Pradesh or wherever you go, there are no forests where there were forests previously.

Whatever you are going to make in the name of social forestry is nothing compared to what is lost. As my friend has just now said the trees of your social forestry are sometimes doing harm to the soil than good. In the social forestry, the trees planted such as eucalyptus absorb more water from the soil and make it dry compared to traditional sal trees which are now not there. These things should be looked into.

Government have taken steps to convert the dry land into forest land but if it remains only on paper, it will not be of help to us.

Another point which Shri Mool Chand Daga has mentioned is that a large portion of India has been drought-prone for many years and it will continue to remain drought-prone for many more years. I would urge upon the hon. Minister to identify the areas. As you have Plans, the First Five Year Plan, the Second Five Year Plan and Third Five Year Plan etc., you should also convert the drought prone areas, in a planned manner, into good areas. Since our country is not very rich country and we have got constraint of resources, kindly see that drought-prone areas actually turned into good areas, in a phased manner, year by year.

The last point I want to make is this. In the drought-prone areas where there is famine, as I have already asked, gruel kitchen has to be opened. Those people who have land can sell their land; those people who have utensils can sell their utensils; those people who have ornaments can sell their ornaments; those people who have cattle can sell their cattle; but the agricultural labourers who are mostly tribals and Scheduled Caste people have nothing to sell. Throughout the year they continue to suffer. I want to make a special request through you, Mr. Chairman, to the Agriculture Minister: special efforts should be made, where the people are mostly Scheduled Caste and Scheduled Tribe people, to

[Shri Narayan Choubey] :

give foodgrains at subsidised prices. You are giving us foodgrains at subsidised rates through fair price shops. I do not mean that. Special cards must be given to these people so that they can get foodgrains at subsidised rates throughout the year. This is my appeal to him.

Again I repeat, not only the Prime Minister but you may also visit Kalahandi and Madhya Pradesh areas.

With these words, I thank you for the opportunity given.

[Translation]

PROF. NARAIN CHAND PARASHAR (Hamirpur) : Mr. Chairman, Sir, when the discussion on the Resolution moved by Shri Janak Raj Gupta was initiated on May 17, the country was in the grip of severe drought. After some time it rained and there was some relief from the drought. But it cannot be denied that drought is still there in many areas of the country.

Whenever discussion on the drought conditions takes place, one or two points emerge. One is that the assistance provided by the Centre is not utilised properly. Government should think of adopting some measures in this regard. It is not that all the State Governments act in a similar manner. In some States good work is done but while criticizing the bad work, the good work is ignored. I recall that our State experienced severe drought during the last two or three months and there was shortage of drinking water. But the State Government took steps in time. Water was supplied in trucks to the villages where all sources of water had dried up. So, wherever good work is done, we should appreciate it. Similarly, if anywhere the work is not done properly, where the relief funds are diverted to other works or are misappropriated, there it should be condemned.

The only way to ensure proper utilisation of the funds is to introduce evaluation procedure in respect of the funds provided by the Centre to the State Governments on the lines of the evaluation procedure exist-

ing in the regular departments. If there is proper evaluation, then the misuse of the funds can be checked. And proper evaluation is possible if there is a permanent machinery for the purpose. For example, if drought or floods occur somewhere and in that connection the representatives of the people of that State make a demand to you and you give an assurance also to send a team there. But, if by the time the team reaches there the flood waters recede or because of rains, the drought condition improves, the time gap makes your good work also ineffective.

I have a suggestion to make in this regard. There is no State in the country where floods or drought do not occur in any year. In some States, sometimes both the calamities occur in a year. In some States these calamities occur even twice in a year. If we seriously consider the matter then a solution can be found to the problem. The Agriculture Ministry, which has almost become a relief Ministry, should set up an evaluation cell in each State which should be a permanent machinery. That cell should monitor whether the funds which have been allocated are being utilised properly or not.

Now, a new concept has been evolved that permanent assets should be created with the money granted for drought or floods. Some projects should be undertaken thereby, which may be helpful in creating man-days and providing wages to the people and this is a good aspect. But the other aspect is that the persons or families who are affected or have suffered loss do not get anything. The family whose crops have been damaged does not get anything. The head of the village panchayat gets some funds which he utilises for constructing Panchayat-Ghars, schools and ponds. These are the general community works which should be undertaken, but it should also be seen whether the affected persons have got assistance or not. They should also get something. Unless they get assistance, they cannot feel satisfied. So, I would like to submit that the new approach should be modified to ensure that the affected families are provided with relief out of the funds given to the village which

has been affected by drought or floods. It is true that you provide subsidy for fodder and foodgrains but that does not solve the problem. If a farmer whose entire crops have been ruined, who has not been able to reap harvest equivalent to even the seeds sown by them does not get anything then all your programmes are useless for him even if you have allocated Rs. 100 crores or Rs. 200 crores. So, it should be ensured that the seriously affected persons do get some relief.

I would, therefore, suggest that you should create an evaluation cell which should be a permanent machinery to obviate complaints about the quantum of allocation. That permanent machinery should look into it and there should not be any discrimination. It is true, as Dagaji has said and complained that officials vie with each other in pleasing influential persons, whether he is a Minister, an M.P. or an M.L.A. This competition should not be there. This has become a practice with the officers to get maximum funds by pleasing influential persons. In this process the affected persons do not get anything. In this way an unfair competition and an unfair drive begins to attract maximum funds for a particular block or a district or a constituency. This should not happen. In such a vast country where big programmes or projects are undertaken, some lapses are bound to be there. But due to those lapses we cannot condemn the whole programme.

The Ministry of Agriculture is being a good job. Many good works are being undertaken in a number of States. There are a good number of committed officers in the administration who are doing good

work in this field and if we tarnish them with the same brush and say that no work has been done and the entire funds have gone waste then it will not be fair for the administration and it will also not be good for the pace of development...

SHRI HARISH RAWAT : It is that because Shri Daga is not here so you are saying this ?

PROF. NARAIN CHAND PARASHAR : No, I would have said this even in his presence. There is on point in it that you do not appreciate the good work done and condemn all the work done. This is not a good thing. The good work should be appreciated so that people are encouraged to do good work.

I would like to compliment the Ministry. The hon. Minister has himself visited the places from where requests were received, the teams have also been sent there, may be a little late. But I would like to draw the attention of the hon. Minister to the shortcomings so that they are removed. A permanent machinery should be created so that on the spot verification is done and thereafter an assessment of the situation is also made. With these words, I support the Resolution of Guptaji.

SHRI RAM PYARE PANIKA (Robertganj) : Madam Chairman, discussion have been taking place in the country from time to time on drought, floods and other natural calamities and it is true that several parts of the country were in the grip of acute drought at the time when Guptaji has moved this Resolution. At the outset, I would like to express my thanks to Guptaji who has brought this Resolution and given us an opportunity to draw the attention of the Government to this serious problem,

[Shri Ram Pyare Panika]

The drought and other natural calamities have been occurring in the country from time immemorial. The Prime Minister of the country and the Planning Commission, with a view to find a temporary solution to these problems, had divided them into six parts in the Sixth Five Year Plan, i.e., backward areas; hill areas, about which the Motion of Shri Rawat will be moved; desert areas, about which Shri Daga will move a Motion; drought prone areas; flood affected areas; and the sixth one is cyclone prone areas. Orissa and other places come under cyclone prone areas. But Madam, I would like to draw the attention of the hon. Minister to the fact that the Prime Minister had formulated a D.P.A.P. scheme for some areas in which our area, Mirzapur, Banaras, Allahabad, Ghazipur and the area of Madhya Pradesh are included. But we do not know why the Central Government have discontinued granting aid for those schemes which had been taken up under it. I would like to cite an example. A sone lift scheme was inaugurated in our area. Bakarvelon diversion scheme was also initiated. There was also the proposal for constructing 36 reservoirs in our district Mirzapur which could be used for providing irrigation facilities to 2 to 4 villages. Work was started on it. But the Central Government could not provide funds at the end of Sixth Plan. Under the scheme there was a proposal for supplying water from the Ganga river to our district.

[English]

MR. CHAIRMAN : I have to request the House to extend the time for another 45 minutes. The time allotted is over. The Minister will reply at 5.15.

HON. MEMBERS : This is a very important subject. You can extend,

[Translation]

SHRI RAM PYARE PANIKA : I was saying that a number of projects were formulated but it is surprising that when the Janata Party came to power, they de-linked all those important areas from the D.P.A.P. on political considerations. I would urge that a permanent scheme should be formulated for all the drought prone districts. It should also be ensured that if the rivers are flowing, then water is diverted towards the drought prone areas and utilized for irrigation purposes. This is very necessary.

The schemes pertaining to Mirzapur district are lying incomplete. You will be surprised to know that on some of the schemes as much as 50 per cent to 75 per cent expenditure has been incurred, but further funds are not being released to them. The State Governments do not have the resources to provide funds for these schemes. I would like to suggest that the on going schemes should be completed. If the State Government are not in a position to mobilise resources for them then you should make proper arrangements for them, because drought has become a recurring feature and it is the Central Government which have to provide crores of rupees by way of immediate relief. If permanent arrangements are made in them, they will prove beneficial for those areas.

In spite of all the efforts, we have hardly been able to complete 26 per cent of the irrigation schemes. The need of the hour is that we should complete all the schemes in the drought prone areas.

The State Governments do not fulfil the norms laid down for providing assistance for drought and flood affected areas. Not only the non-Cong(I) Governments but Cong(I) Governments also do not send memoranda in time. The drought in 1982 had affected a population of 21

crores and an area of 5 crore hectares. The then Prime Minister, Shrimati Indira Gandhi had earmarked Rs. 700 crores for it but Uttar Pradesh could not get a single paise out of that because the Government of Uttar Pradesh had not submitted the memorandum in time. There may have been some technical lapses but I would like to urge the hon. Minister that the people of the whole of India are one and how can we let them suffer on account of the negligence of a particular State Government? So you should evolve some formula that even if any State Government do not act in time and the Central Team after visiting that place is satisfied that damage has been caused due to drought, floods or hailstorms, then there is no reason why assistance should not be provided to that State.

There should be monitoring arrangements in respect of the assistance given for drought and flood affected areas. Huge funds are provided to undertake relief measures in drought and flood affected areas. District officers pocket a part of the funds. Of course, Shri Parashar has rightly said that all the officers are not like that. Funds are provided by the Centre to the State Governments, but you have no power to go to the districts and enquire as to how this money is being utilised and to ensure that the guilty are punished, in case there is any bungling. At present, the State Governments look after all this work. Some rules should be framed to empower the Central Government Officers to go there and see how the Central funds provided for various projects are being spent.

Now, I come to the drinking water problem. The country witnessed an unprecedented hot season this year. In Dala area of my constituency, a tin of drinking water is sold for Rs. 4. It is appreciable that the Works and Housing Minister has allotted Rs. 20 crores for it. You should ensure whether this money is being utilised properly or not. In addition, you must monitor the on-going schemes of the Water Corporation.

In the end, I would like to say that a permanent solution should be found out

as early as possible of the flood and drought problem.

[English]

SHRI V.S. KRISHNA IYER (Bangalore South): Madam Chairman, during March 1985 I had given notice of a Calling Attention regarding the same subject. Then I dealt with mainly about my State Karnataka. I am very sorry to say that I have to repeat what I said at that time because the conditions have not improved. For the fourth consecutive year the monsoons have failed us and the State is facing a very severe drought condition. The hon. Minister Shri Buta Singh was in Bangalore last Sunday and ...

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT S. BUTA SINGH): On the same day there was rain.

SHRI V. S. KRISHNA IYER : I was about to say that. If you settle down in drought prone areas every body will welcome it.

As I was saying for the fourth consecutive year the monsoons have failed us and you can imagine the plight of the people of the State. Karnataka Government is doing its best. They are providing the relief measures. But what can the State Government do with its meagre income? In the last three years the State Government has been giving memorandum after memorandum but unfortunately according to the norms of the Central Government they are not able to give the finances required by the State Government. The State Government has nearly spent Rs. 250 crores during the last two years and they have approached the Centre for funds. The Centre was able to give only Rs. 40-45 crores. This year the situation is still worse. I am happy to know, Madam Chairman, your goodself had explained the whole situation here. What is required immediately to crop up with the situation is at least Rs. 50 crores. I appeal to the hon. Minister to provide funds in this serious situation. If you depend on the norms it will be very difficult. Karnataka is facing famine very frequently. It is necessary

[Shri V. S. Krishna IYER]

that Central Government should give special assistance and should not depend on the norms which they have prescribed.

This is the year the monsoons started very well but unfortunately it suddenly stopped. So, the nature is really unkind to us. I would suggest that the Central Government must review the matter seriously and came to our rescue.

So far as the drinking water is concerned the hon. Minister the other day while replying here said that Karnataka has done well so far as providing of drinking water is concerned but still some villages are left out. What is worse is that we have not been able to supply cattle feed.

It has become an annual feature that we discuss the drought situation. The Government of India and the State Government must seriously think of providing permanent measures to see that famine conditions do not recur. I don't say we will be able to bring rain. What is required is that we should take up the irrigation projects where the irrigation projects will come to the rescue of the people. Karnataka Government has sent proposals and I am sure the Central Government....

SHRI S. B. SIDNAL : Karnataka Government is not at all working.

SHRI V. S. KRISHNA IYER : The hon. Member sitting on that side speaks like that because I am sitting on this side and I don't speak like him. I always speak with objectivity. He was telling that Karnataka was not working. Only a week ago, the people of Karnataka proved that the Government is a working. They have showed well that the Government functioning there. Another suggestion I would like to make is that the Government must concentrate on starting industries in drought prone areas because how long we can provide relief works to the people in those areas ? So, the Government must start industries in those areas. Sir according to the Government of India rules you are giving subsidies for rice and wheat to the labourers under the NREP in the villages. In Karnataka, the staple food of the

villagers is either 'ragi' or 'jowar'. I request the Government of India to extend the subsidy to 'ragi' and 'jowar' also. I would make special request to the hon. Minister to consider this point favourably. I am sure the hon. Minister will give a cheering news to the people of Karnataka who are reeling under severe famine.

[Translation]

SHRI ZAINUL BASHER (Ghazipur) : Mr. Chairman, Sir, the geographical position of our country is such that certain parts of the country are always affected either by drought or by floods. There are many areas which are affected by both the floods and drought . . . Eastern Uttar Pradesh, to which I belong, and some areas of Bihar remain affected either by drought or by floods every year. Sometimes these areas are affected by both drought and floods. It is very difficult to estimate the loss suffered each year due to floods and drought. I suggest that a national programme should be chalked out to solve the problem of floods and drought. If all the funds provided so far for relief measures are added, the resultant amount would be sufficient to find a permanent solution to the floods and drought problem. It is a heartening feature that if flood control measures are taken in the country, they would be helpful in not only solving the flood problem but the drought problem also. Both these natural calamities—floods and drought—can be solved to a great extent through one programme. During rainy season the waters of our rivers flows into oceans unutilised. In addition, floods occur which cause loss of life and property. Cattle heads perish and crops are damaged. If arrangements are made to store this water by constructing big dams, it can be utilised for irrigation purposes at the time of drought and during normal season. Drinking water can also be made available to the people and many other works can be undertaken. So long as a national programme is not chalked out in the country and extensive arrangements are not made to control the river waters, the country will always be reeling under drought and floods.

17.00 hrs.

Almost in every session of Parliament we discuss this problem. I do not remember if there has been any session in which discussion was not held on the flood situation or drought problem. In each session we discuss drought and flood problem in one or the other form. Even in the ensuing winter session, failure of rain or drought in some part of the country would again be discussed. I do not want to go into details, but would just like to submit to the hon. Minister that he is an active Member, he must formulate a national programme during his tenure to solve the flood and drought problem. The purpose will not be served without it. We have been giving funds for relief works for the last many year and will continue to do so far another 10 to 20 years. I do not think that we shall be able to solve this problem despite spending so much money. Sufficient funds should be allocated for this programme also as has been done in respect of the National Rural Employment Programme. You cannot imagine how many persons will benefit, the increase in agricultural production which will be achieved and how much prosperity will come in the country if such a programme is implemented. I, therefore, demand that a national programme should be formulated to control floods, because if floods are controlled, drought problem will automatically be solved.

[*English*]

SHRI S.B. SIDNAL (Belgaum) : Madam, I am grateful to you for giving me this opportunity to participate on this debate.

17.03 hrs.

[**SHRI SOMNATH RATH** in the Chair]

This country always depends on the monsoon ; even the agricultural workers have to wait for the monsoon after sowing. It is almost certain in this country that many parts of the country may be affected either by flood or by drought. Many places, and districts in the States are regularly affected by droughts and some of the

State are regularly affected by floods. When the Central Government and the State Governments have to spend a lot of money respectively, without making a master plan, it is high time that they should think of a master plan. If we prepare a master plan and allot money for that regularly, whether there is drought or not, we would be able to do a lot of constructive work, and create assets which would help the poor people during drought and other calamities, and we would be able to give them some employment. Otherwise, there is waste of lot of money and things like roads etc. are just built on the paper only. That way, Government money is a clear waste.

So far in six to seven lakh villages, we have not been able to provide drinking water to the people and this is a must. This is one of the basic needs of the people. It affects a lot those people who are below the poverty line, mostly the scheduled castes and scheduled tribes. When we talk of employing those poor people during the drought conditions and other calamities, as my other hon. friends have mentioned, the money does not reach them entirely, half of that money is taken by the corrupt officials and other agencies. I am sorry to state that, but it actually happens.

My friend, Shri Krishna Iyer was saying that the Government of Karnataka was doing so much. It is nothing, but a colour painting. I am sorry to mention, but they did not even have the courtesy to call any meeting of the Committee on 20-Point Programme for the last two years. It is very unfortunate.

SHRI V.S. KRISHNA IYER : You may please read the report of the Planning Commission.

SHRI S.B. SIDNAL : Sir, I am appealing, through you, to the Government to direct the concerned Government to call for a meeting of the Committee on 20-Point Programme, which is really meant for the poor.

Therefore, Sir, whenever there is a drought; the most affected people are those who are living below the poverty line and

[Shri S. B. Sidnai]

who have no employment. They have not been given proper relief. Whenever assistance is provided, strict supervision should be there. I request the Minister of Agriculture to supervise the programmes strictly, regularly and periodically so that the money given by the Central Government is properly utilised. Because of ecological imbalances, some places are always drought affected. Therefore, we have to make Master Plan employing Scheduled Caste and Scheduled Tribe people in Government service and continuously plant trees in forests and non-arable areas every year regularly. This helps the Scheduled Caste and Scheduled Tribe people.

PROF. SAIFUDDIN SOZ (Baramulla) : Sir, I rise to give my support to the Resolution moved by Shri Janak Raj Gupta. But I am sorry to say that within his own State, he has forgotten the Kashmir province, because he is concerned only with the drought that took place in Jammu. Of course, I do feel concerned about the drought that took place in Jammu and I will request the hon. Minister of Agriculture to take stock of the situation and provide relief to the people in Jammu and elsewhere who are suffering because of the drought. Recently, we discussed this matter threadbare when we discussed the issue of natural calamities in the country. At that time I said that ours is a vast country. In one part of the country there may be drought, while some other part may be experiencing floods.

PROF. MADHU DANDAVATE : Is the 'Shah' Government a natural calamity or an unnatural calamity?

PROF. SAIFUDDIN SOZ : Totally unnatural! And it is particularly known to the Agriculture Minister. On that day, the hon. Minister of Agriculture struck a very heart-warming note. Firstly he had agreed with us. It appeared in the Press also. Ministers have to be bold and they should not hide. He did not hide and he agreed that in the rural development programmes and schemes, there has been a lot of leakage and lot of corruption. When I had narrated the scene as obtained in Jammu and Kashmir, he had assured that

Parliamentarians would also be associated with the district plans and I felt very happy. I feel assured that the hon. Minister would kindly take notice of this Resolution and he would kindly keep in his mind the assurance that he has extended to this House. Particularly on that day, he assured me that he would be visiting those States, where there were complaints and where there were victims of drought and floods. As for Jammu and Kashmir, September is a very good month and the weather will be very fine. Both Shri Janak Raj Gupta and myself invite him to pay a brief visit to Jammu as also to Srinagar. I will not exploit the visit politically and I will get those who are the true representatives of the people and they will explain the damage to crops in Kashmir due to hailstorm. This is a long story which has started in 1982 and it continued through 1983, 1984 and 1985. Though there has been leakage and corruption, some relief has been sanctioned. But more relief is required in Kashmir for the victims of hailstorm and in Jammu for the victims of the drought. When the hon. Minister rises to conclude the discussion, I hope that he will kindly announce as to when he would be visiting Jammu and Srinagar.

[*Translation*]

SHRI K.D. SULTANPURI (Simla) : Mr. Chairman, Sir, I am grateful to you for giving me an opportunity to speak. The fact is that the drought conditions witnessed in our hill areas this year have affected the entire Himachal Pradesh. All the rivers and rivulets there have gone dry. Potato and Wheat crops have been totally damaged. Last year, the apple crop had failed. The apple crop was affected by scab disease last year. This year, potato crop has been damaged. So, the amount of Rs. 5 crores given to Himachal Pradesh by you is quite inadequate. I feel it will not be of any use to the people of Himachal Pradesh.

I would like to appeal to the hon. Minister to waive the entire amount of interest on loans taken from banks by the poor people there and recovery of land revenue should also not be made from the small farmers.

Besides, I would like to point out that workers engaged in the construction of schools, hospitals etc. in the country are paid wages out of the funds meant for drought relief works. Many other hon. Members have also pointed it out. It does not benefit the persons concerned. The affected persons must receive some benefit.

The mover has moved a very good Resolution about drought conditions in Kashmir. The hill areas first witnessed drought and afterwards there has been heavy rainfall. It caused loss worth crores of rupees in the whole of Punjab. Hoshiarpur, Jalandhar and Tehsil Ropar suffered heavily. If check dams are constructed on the rivers and rivulets in the hill areas to prevent soil erosion, the damage in plains can be reduced. Funds should, therefore, be allocated for this purpose to check soil erosion and control floods in the plains.

The soil carried by the rivers from hill areas is posing danger to our big projects and as a result thereroft the Hydroelectric projects are in danger. Dams are becoming silty due to the soil carried by the rivers. It has posed a danger to Bhakra Dam and also to Kudari Majari Dam which supplies water and power to Uttar Pradesh. If you want to save them, you will have to resort to plantation and construct check dams on the rivers and rivulets so that the rivers do not carry soil with them.

I would, therefore, request that the Government of Himachal Pradesh should be provided with more funds so that they could make necessary arrangements to contain soil erosion.

I would also suggest that the study teams sent by you must establish contact with the local people.

I hope that the hon. Minister will provide maximum funds to the Government of Himachal Pradesh so that they could combat the deteriorating situation there.

With these words, I thank you for allowing me to speak.

SHRI JUJHAR SINGH (Jhalawar) : Mr. Chairman, Sir, I rise to support the

Resolution moved by Shri Janak Raj Gupta.

When discussion is held on the famine conditions, the name of Rajasthan naturally figures in it. But only few people are aware the famine conditions in the eastern and south eastern Rajasthan. I would like to draw the attention of the hon. Minister to the fact that this year there has been scanty rainsfull in eastern and south eastern parts of Rajasthan in the Jhalawar area in particular and famine-like conditions are prevailing there. Thousands of cattle heads have perished there. There is acute shortage of water and no relief work has so far been undertaken there.

It is not a new thing for Jhalawar. It is a fact that if you have a glance at the chart of rainfall there, you will find that there has not been timely rainfall for the past many years. Sometimes it does not rain for 15 days at a stretch and sometimes for as many as three weeks.

It has become a regular phenomenon. The rains do not come in time. Secondly, the average rainfall in that area has declined to half. Thirdly the forests are denuded and therefore there are 'flash floods' and in the absence of forests the entire rain waters flow into the ravers which are getting silted and the water level of these rivers has started going down. The quantum of water has also been reduced. I would request you to conduct a study and take some measures about the ecological imbalance being observed there for the past few years. I am of the view that, 25 per cent of the eastern area and south eastern of Rajasthan was covered by forests but for the last two to three decades the forests have been denuded indiscriminately, with the result that it has virtually become a desert.

It has also resulted in increase in soil erosion. The economic condition of people has weakened. I would request the hon. Minister that when relief work is started in Rajasthan, afforestation of this area may be undertaken. Forestry is very useful there. I am not speaking of social forestry, but attention should be paid to traditional forestry which has been there for years and which was discontinued due to

[Shri Jujhar Singh]

wrong policies. It should again be started so that famine condition, which is becoming a regular feature, may not recur. The present state of affairs should not be allowed to continue. Sir, many more hon. Members have still to speak and, therefore, before concluding, I would request that you should pay immediate attention to the changing scene in that part of Rajasthan which was once lush green. It timely action is not taken in this regard we may have to face desert-like conditions there.

[English]

SHRI V. SOBHANADREESWARA RAO (Vijayawada) : I would like to bring to the notice of the Minister only two important points : first, when natural calamities occur, Reserve Bank of India permits the State Cooperative Department to re-phase the short term loans into medium term loans. I would make a request to the Minister : in the case of long term loans which are given through the Agricultural Land Development Banks, the farmer will not be able to pay the instalment due from him during that year when drought, cyclone or natural calamities occur. So, that instalment also should be re-phased. It should be extended by another year.

Another important point : in Andhra Pradesh, there is Rayalaseema, which is a chronically drought-hit area. There, to go in for a well, the farmer has to spend Rs. 30,000/-, Rs. 40,000/- or sometimes even upto Rs. 50,000/-. In every five years, during almost three years there will be the drought situation in Rayalaseema. So, I request that keeping in view that it is a permanently drought-hit area, Government should change the definition of a small farmer. From two hectares of wet land which is at present the criterion, it should be changed to 4 hectares, and in the case of dry land, to 8 hectares. The definition with regard to marginal farmers also should change : wet land, from one hectare to 2 hectares, and 4 hectares of dry land, because otherwise we will not be able to do small and marginal farmers of Rayalaseema. I request Government to examine these suggestions.

[Translation]

SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI (Rajkot) : Mr. Chairman, Sir, our country is predominantly an agricultural country. Being a woman farmer, I would like to tell you about what is happening in Saurashtra. At present floods are occurring in many parts of the country but there has been scanty rainfall in our area and as a result the seeds sown by farmers have gone waste. The farmers have to face a lot of distress as a result of that. As agriculture is the only means of livelihood for them, something should be done in this regard. I would request the hon. Agriculture Minister to help the farmers. Our young Prime Minister is concerned about the farmers and workers, and the 20-Point Programme is meant to help them. The farmers are not able to derive its benefit due to some bureaucrats. They are harassed. Government should provide fertilisers and other inputs to the farmers. I would suggest that a scheme should be formulated to provide maximum benefit to the farmer. Afforestation programme is being carried on in our area. Bucalyptus and teak wood trees are being planted there. They are of no use as they are not shady trees. The water level has receded due to these trees. Drinking water is not available even at a great depth. I would request you to plant such trees in the villages and cities as may be benefit the farmers. Such trees, may be planted as may add to the greenery of the area and be beneficial to the farmers and the people in general. I thank you for giving me this opportunity to speak.

[English]

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT (S. BUTA SINGH) : Mr. Chairman, first of all, I must like to thank Shri Janak Raj Gupta, Shri Virdhi Chand Jain and Shri Chintamani Panigrahi for having brought this very important subject once again to the notice of the House. As mentioned by Shri Zainul Basher, this is perhaps one of those subjects which find mention in almost every session of Parliament and naturally so because it affects the life of our people and that too in a sector which is not very

comfortably placed, namely, the rural sector and the areas which are affected mostly by the drought are most of the backward districts in such State, as has been mentioned by most of the members, whether this side of the House or that side of the House. Therefore, this is a very vital subject and it is but natural that this August House must deliberate upon it.

I am grateful to Shri Janak Raj Gupta and hon. members who have spoken on the subject with a great concern, and I share their views and sentiments expressed in the same concern. In the present Resolution, Shri Gopala Nathji brought to the notice of this hon. House the situation in his own State of Jammu & Kashmir and has asked for the supply of irrigation and drinking water for these purposes. If I have to report to this hon. House, last year, in 1984-85, we had a drought situation in eight States. They were Andhra Pradesh, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Rajasthan and Uttar Pradesh. I say this because these State Governments submitted their memoranda for the assistance from the Government of India, and a ceiling of central assistance to the tune of Rs. 200.66 crores was sanctioned by the Government of India to all these States, and out of this, the amount for drinking water was Rs. 54.03 crores, and this year, 1985, we have reports from 10 States, namely, Andhra Pradesh, Haryana, Punjab, Himachal Pradesh, Jammu & Kashmir, Karnataka, Madhya Pradesh, Uttar Pradesh and Rajasthan.

As has been mentioned by most of the Members that the central team visits States which have reported drought conditions, and they have visited eight States out of these States this year and the amount sanctioned so far was Rs. 181.71 crores, a ceiling for the central assistance for tackling the drought situation this year. Out of this amount, Rs. 47.67 crores accounts for drinking water.

In the case of Himachal Pradesh Prof. Parasher was here a little while ago—the central team has submitted a report and it is under consideration. In the meanwhile we have sanctioned Rs. 15 crores

to the States as ways and means advance for the relief work.

Similarly the memorandum from Rajasthan is also under consideration. And we will be releasing Rs. 10 crores to Rajasthan as ways and means advance and a central team is also going to assess the continuous drought conditions in the State. I agree with Shri Girdhari Lal Vyas that it is not sufficient. But this is just the initial stage and the central team when it visits will bring out the extent of damage and then we will be able to do something further.

Out of these two years of drought conditions this year itself, according to the information available, there were about 169 districts affected by drought and a population of 661 lakhs in a cropped area of 146 lakh hectares, and about 516 lakh cattle population have been affected the year on account of drought.

As you very well know, ours is a country with so many diverse conditions both climatically and topographically that it is very difficult to really chalk out something a standardised basis. I have listened to hon. Members' plea which is unanimous and unequivocal, that our Government should do something on a national scale. Yes, Sir. It is a national problem and unless it is tackled at that level the problem will not be solved. If we look at the size of our country we have about 140.27 hectares of net cultivated land. And out of this mass of land the rain-fed area accounts for 101.22 million hectares net area leaving the irrigated area to only 39.5 million hectares net area. This means that a very large chunk of our agricultural activity is rain-fed and we have to chalk out a very systematic plan by which we can increase the area under irrigation. This problem can be solved only if it is tackled on a national scale. As you know, at the time of the beginning of the Five Year Planning system the area under irrigation was roughly to the tune of 20 million hectares which became 62 million hectares gross area during the Sixth Plan and we propose to take it to 75 million hectares in the next plan, that is the Seventh Plan. And the estimated investment on irrigation during the Sixth Plan is Rs. 10,899 crores, Shri

[S. Buta Singh]

Dagaji was asking me what we were doing, with only Rs. 200 crores per year. Of course, Rs. 200.66 crores is to be given as margin money to all the States. But look at the amount that we are spending for irrigation. It is direct attack on the drought situation. In the Sixth Five Year Plan Rs. 10,899 crores in the expenditure. And therefore we are trying to see that this problem is tackled and there is not only one method. We have to have a chain of various measures on the long term. Tackling of irrigation is of course one which I have just now mentioned.

Similarly, we have been trying to identify several areas as Shri Panigrahi had mentioned and there are problematic areas in the country which are divided into zones and these zones are being tackled on a very high scale and one of them is the Drought-Prone Area Programme. Shri Panigrahi seems to be under the impression that we have given it up. No. It is not given up. It is continuing.

Under the DPAP Programme Government is already tackling this programme. This programme was started in 1970 and at the end of the Sixth Plan 511 blocks of 70 districts in 13 States were covered by this programme.

This is a Centrally sponsored scheme and allocation of funds to the tune of Rs. 15 lakhs is made per block. During the Sixth Plan Rs. 211.02 crores was spent on this Programme out of which Rs. 166.08 crores was Centre's share. The physical achievement has been quite satisfactory and it is as follows : Soil and moisture conservation — 3952.39 hectares; Irrigation potential created — 3245.86 hectares; Forestry and pasture development — 3748.48 hectares; Milk societies set up — 3001.

I quite agree with Dagaji on one point that implementation has not been upto the mark. We are not satisfied. I have said that quite a number of times. Prof. Soz was one with me on this point. What is the use of hiding glaring facts from the ground ? If I say something here and people do not find it on the ground, what will they think of us ? It is a fact that the implementation of these schemes which were meant to alleviate the poverty

in the country, at various places in various States has not been upto the mark. But to say that these schemes have not helped the people also will be equally wrong. Therefore, as I said it on another occasion during the the Calling Attention Motion in this House, that there was a feeling among all the Members and in almost all the political parties that there should be a strick vigil. The people's representatives, whether they are Panchayat members or samiti members or members of the Legislative Assembly or the Members of this august House, must be associated with the implementation of these schemes; otherwise, always there is a chance that the bureaucracy or officialdom may fall a prey to the routine which is another very bad thing. Once you put a thing on a prototype or routine manner, it gets bad. And it gives birth to corruption. If you make people's representatives associated with the functioning of these schemes it will provide that kind of vigil to these schemes. And we must have a supervising agency. We are thinking very seriously in consultation with the State Government, to provide some organisation at the Centre as also in the States, which can monitor. Although we are getting monthly, quarterly and annual reports, those reports neither Shri Daga nor Prof. Soz is going to believe, because the allocation at the district level, selection of site, selection of project, all these things are done subjectively. They have to be done objectively. That can be done only when the people's representatives are associated.

Physical achievements during 1984-85 in respect of Rajasthan are as follows : Soil and Moisture conservation — 518 hectares; Creation of irrigation potential — 126 hectares; Afforestation and Pasture Development — 194 hectares; Sheep societies established — 906.

Mr. Daga wanted to know the assets created. I can tell you only the statistics that I have with me, which are reflected from the State Governments and based on our own monitoring or whatever information we have received.

In Rajasthan the number of road projects taken up was 38, and the number

of minor irrigation projects, including drainage, was 25. Similarly, the number of Soil Water Conservation Projects was 15 and the number of Social Forestry Projects was 21. This is how the programme of RLEGP has worked in Rajasthan.

The other long-term effort that we are making is through the Soil and Water Conservation Programmes. The Soil and Water Conservation Programmes, as a strategy, are formulated on the basis of Integrated Watershed Management Plan. This is combining the conservation strategy with the socio-economic objectives. The strategy has these elements :

- (i) Enhancing productivity of available land under primary production systems;
- (ii) Generation of employment opportunities in rural areas;
- (iii) Maintaining beneficial relationship between land and water cycle ; and
- (iv) Identifying and locating the degraded land and those lying under-utilised for restoration to more productivity management systems.

Similarly, we have other schemes like Soil Conservation in Catchments of River Valley Projects, and the Integrated Watershed Management in the Catchments of Flood-Prone Rivers, and dry Land Farming which has been mentioned by most of my colleagues. Out of the total cultivated area which I mentioned just now, the Dry Land Farming figures mostly in the following States :

Karnataka	86.2 per cent
Madhya Pradesh	87.5 per cent
Maharashtra	89.5 per cent
Rajasthan	80.5 per cent
Uttar Pradesh	45.1 per cent
West Bengal	73.2 per cent

On a long-term basis this is what we are attempting.

The hon. Members were rightly concerned about the continuing drought in their respective States. One thing which is quite satisfactory is that our scientists in the ICAR have been rather working hard on certain crops which could withstand the vagaries of dry weather, and we have been able to provide the seeds of those crops in most of the areas where drought continues. This has resulted in sustaining our agricultural production and has gone a long way to develop agriculture in most of the difficult areas.

Similarly, from this year, as announced by the hon. Finance Minister, we have introduced a new scheme called the Crop Insurance Scheme. The Crop Insurance Scheme is a direct help to those areas which are constantly under drought conditions. By last year, that is 1984-85, the total number of 12 States, namely, Andhra Pradesh, Bihar, Haryana, Himach Pradesh, Karnataka, Kerala, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh, West Bengal and Madhya Pradesh have taken up the Crop Insurance Scheme. This Scheme, by and large, is concentrated in the areas. However, the important rain-fed crops like jawar, cotton, groundnut, gram, maize, barley, oilseeds, wheat, paddy, ragi, potato are also included in this Scheme. But this is only a recent scheme which has included so many crops otherwise it was only a pilot scheme previously. It has now been made universal and applicable all over the country.

We also propose to set up a Crop Insurance Fund at the State level for directly operating the Crop Insurance Scheme. A Central Crop Insurance Fund is also proposed to be set up in the Union Ministry of Agriculture and Rural Development to provide Centre's share. The Government of India will provide the policy guidelines and will monitor the programme under this Scheme.

Then, there are schemes which are continuing for the dry land farming. Similarly, as I mentioned, our research people are working quite hard to see that certain kinds of crops are developed which can

[S. Buta Singh]

withstand the hardships of the dry land farming.

We have certain development programmes both in the State sector and under the World Bank assisted Pilot Projects for Watershed Development. In the rain-fed areas we have certain Area Development Projects, just as mentioned by Shri Sultanpuri, at the foothills of Himalayas. In Punjab, the scheme is called Kandi Watershed Areas. In Punjab the scheme is called Kandi Watershed scheme. So, these are the various schemes through which we are attempting to tackle the drought problem on a national scale.

In regard to Jammu and Kashmir, Shri Janakraj Gupta raised this question. The number of problem villages in Jammu and Kashmir have been reduced considerably so far as the drinking water problem is concerned. And as I said on the receipt of information, from the Central Government a central team did visit the State. And now since Shri Soz and Shri Gupta wanted me to visit Jammu & Kashmir and because a visit to Jammu and Kashmir is always tempting, it should be possible to make a visit there. I would like to meet the people's representatives from that State on my visit there. I can assure at this moment only that according to the norms which have been fixed to meet the situation created by the natural calamity, at our level we are trying to do our best, but one thing which I announced the other day also is that these norms are pretty old and they have hardly relevance with the present situation in the country. Therefore, we decided to constitute a Committee which should go in detail to work out the norms and make them relevant to the present situation in the country. The Secretary (Agriculture) is heading that team and we should be able to bring the norms up to the level the present situation requires.

PROF. SAIFUDDIN SOZ : Do we take it that you will kindly visit in September ?

S. BUTA SINGH : As soon as possible.

[Translation]

SHRI GIRDHARI LAL VYAS : Sir, in case of floods subsidy to the extent of 50 per cent is given but it is not so in the case of famine.

S. BUTA SINGH : Relief is given in the form of wages for the work done. It is not given to the victims.

[English]

The assistance for drought is given for the items which I am going to read just now :

Emergency supply of drinking water in areas where sources of drinking water dried up, by means of tankers, trucks and other means of transport.

Gratuitous relief to the victims of natural calamity, including unemployable persons having no source of livelihood. They include the people mentioned by Shri Choubey and Shri Panikka.

Provision for fodder for cattle.

Provision of medicines, disinfectants, insecticides and vaccines for the prevention of outbreak of epidemics like dysentery, diarrhea, gastro-enteritis, typhoid, infective hepatitis etc. due to contaminated and unsafe water.

Movement of useful cattle to other areas.

Augmentation of the nutrition programme for the children below six years of age and expecting and lactating mothers on the ground that because of the drought there is loss in the intake of food and vegetable resulting in mal-nutrition.

Addition of nutrients to the animal to combat the effects of mal-nutrition among the animals and provision of vaccines to immunise the cattle against the epidemic.

Provision at the subsidised rates of fertilisers, pesticides for rejuvenation of the crop damaged by drought.

Provision of seeds, fertilisers, pesticides and other agricultural inputs at subsidised rates to the farmers who have lost their crop to enable them to grow alternative or subsidiary crops.

Acceleration of the on-going plan works located in the drought affected areas and undertaking of additional approved plan schemes to create employment for the drought affected areas.

These are the major items which are covered under the drought assistance which the Government of India provides.

An idea was given by Shri Choubey that in such areas where there are very severe droughts and people are forced to live on very very little, whatever they get, should be given subsidised food. It is a very good idea and I take this suggestion and we will consider on it.

SHRI V.S. KRISHNA IYER : Because you have visited Karnataka, I would like to know the position about that State.

S. BUTA SINGH : In Karnataka, during 1980—85, the relief assistance given was Rs. 14 crores for flood and Rs. 76 crores for drought. And, in 1985-86, the figure was Rs. 22.16 crores for drought. This was the last. So far, we have not received any Memorandum from the State Government.

One thing: After having heard from the hon. Members, I was able to go into some of the points which the hon. Members have made. May I now request Shri Janak Raj Guptaji not to press his resolution, because, we are one with him? There is no difference of opinion. Whatever Shri Gupta has said has been taken note of. Also whatever suggestions have made by other hon. Members are taken note of, and we will try to see how far we can implement these suggestions.

[Translation]

SHRI GIRDHARI LAL VYAS (Bhilwara) : I would like to know from the hon. Minister the reasons for not giving subsidy to the state Governments in case

of famine, when the Centre gives it in case of floods. You can refer the matter to a committee.

S. BUTA SINGH : The work is being done according to the existing norms. The Committee would consider it.

[English]

SHRI V. SOBHNADREESWARA RAO : Royalaseema is having the minimum rainfall in the entire country. There is no parallel. There is no other place which has such a lowest rainfall. Will the hon. Minister please consider as a special case changing of the definition of small and marginal farmers ?

S. BUTA SINGH : I did mention about Andhra Pradesh. And, Rayalaseema is also a part of Andhra Pradesh.

[Translation]

SHRI JANAK RAJ GUPTA (Jammu) : Mr Chairman, Sir, I am grateful to the Members who participated in the discussion on my Resolution and supported it irrespective of party affiliations. Besides, I am also grateful to the hon. Agriculture Minister, S. Buta Singh who has admitted the importance of the Resolution and supported the suggestions made by other hon. Members and he has also agreed to constitute a committee which will fix the norms.

I would like to bring one or two things to your notice. So far as drought is concerned, it has affected many parts of the country and a large section of the populations. Our State, Jammu and Kashmir, is particularly affected by drought where a large part of it is hill area. The people in the valley are also affected by rains which cause heavy damage. It is also true that the Government have given a lot of aid but I feel that much remains to be done so that the people must get more relief and lead a comfortable life. The people have to fetch drinking water from as far as 10 kilometres in hill areas. Though it is a fact that as compared to the old days, the

[Shri Janak Raj Gupta]

Government have made enough arrangements which have improved the situation but as far as drinking water and Irrigation is concerned, much still remains to be done. We have seen that in some of the hill areas and plain areas, there is no water at all. It is not that there is scarcity of water ; rivers are there. What is needed is utilising the river waters through channels. It is not only true of Jammu and Kashmir but of other places also where the problem could be solved to a large extent by constructing channels. The hon. Agriculture Minister has said that he proposes to constitute a committee which will fix the norms. I would like the farmers to be exempted from repayment of *taccavi* loans, or other loans on account of irrigation etc. also from payment of land revenue. It is often observed that whenever such a thing happens due to famine, it is temporarily suspended, but later on it is realised by charging excessive rate of interest. The farmer is shattered. It is no relief. It rather becomes a burden in the long run. There are other factors also, like loans from the co operative or other sources. I would request the hon. Minister Bula Singhji that the norms fixed by the committee should be made permanent and whenever there is a natural calamity, the farmers should automatically get the relief so that they could face it. Under the IRDP, the farmer should get work so that he could feed his children. Besides this, the most important problem in the hills is that of fodder for cattle. As the people do not have sufficient money, they cannot buy it from outside. You should also think over it so that the problem is solved. This problem is an annual feature and has become a permanent phenomenon and is not a temporary problem. Floods and drought strike every year and, therefore, thought should be given to solve the problem and provide relief to the farmers. I have full faith that Sardar Sahib would help us. Punjab is our neighbouring State and whenever we were in need they helped us. I would be grateful to the hon. Minister if he pays a visit to our area, as suggested by Prof. Soz and myself, and see for himself the drought condition there. Earlier also he has been visiting and has

been helping us but now he should visit our State and see the extensive damage suffered by the farmers due to famine and floods. The hon. Minister has assured the House that he is in favour of my Resolution. In view of this assurance, I do not press my Resolution.

[English]

MR. CHAIRMAN : Mr. Daga, you have moved your amendment. Are you going to withdraw it ?

SHRI MOOL CHAND DAGA : There is no question of withdrawing it. The hon. Member wants to withdraw his own resolution. If he is not prepared, then I am not prepared. Therefore, I won't press for my amendment. I seek leave of the House to withdraw my amendment.

*The amendment was, by leave,
withdrawn.*

SHRI JANAK RAJ GUPTA : Sir, I seek leave of the House to withdraw my Resolution.

*The Resolution was, by leave,
withdrawn.*

RESOLUTION RE : DEVELOPMENT OF HILL AREAS

[English]

MR. CHAIRMAN : Now we shall take up the Resolution. Shri Harish Rawat may move.

SHRI HARISH RAWAT (Almora) : Sir, I beg to move :

"That this House is of the opinion that in order to develop hill areas of the country, the Union Government should undertake to bear the entire expenditure for their development and —

- (a) set up hill area development cells in concerned Ministries ;
- (b) set up electronics industries in such areas only ;

- (c) enhance transport and investment subsidies for setting up of industries beyond a particular altitude ; and
- (d) give grants-in-aid/loans for cultivation of forest land and start schemes for plantation, forestry soil conservation, flood control, animal husbandry, etc. with the assistance of international organisations such as World Bank.”

[Translation]

Prior to the Fifth Five Year Plan, the approach we had adopted in respect of development of hill areas did not lead to the desired progress in some fields and in some socio-economic groups. Hill areas are there in several States. We can divide them into two parts—(i) States with partly hill areas and (ii) where the entire state is a hill area, such as Jammu and Kashmir, Himachal Pradesh or some of the North Eastern States. There are some States which are partly hill areas and partly plain. But all the hill areas, whether they are part of a State or a hill State, have similar problems and the people of those regions have not only similar socio-economic conditions but the socio-cultural conditions also are the same. It is unfortunate that after so many years of independence, we are paying attention to the progress of these areas quite belatedly and, in reality, the work on the progress of these areas started during the Fifth Five Year Plan. Therefore, other parts of the country were already on the path of the progress when the development of these areas started.

There are many hon. Members from Rajasthan and at other areas of the country and they have their own problems. They have desert areas, tribal areas but their problems cannot be compared with those of the hill areas. Those areas have many modes of transport and means of communications but the hill areas woefully lack these facilities even today. In the name of transport facilities, only road transport is available. Before independence, the Britishers developed train services for

their own comfort for places like Shimla and Darjeeling but in most of the hill areas in the country the train services are just nominal, which could have otherwise been a medium of our progress and socio-economic development. But they are not available even now. The situation with regard to train services in the six hill districts of Uttar Pradesh has not changed or improved since the Britishers left.

In the North Eastern Sector there has been development, especially in the laying of railway tracks. In that connection it can be said that credit goes to the Assam agitation which drew Government's attention to the development of the region. We may or may not agree with the issues of the agitation and the ways adopted to carry it on but it has definitely drawn the attention of the whole country. The problems of North-East could not be realised in other parts because of lack of contact with other parts of the country. It is not only with the country as a whole but also with the hill areas that they do not have any sense of affinity. They have all along been feeling that the desired interest has not been shown in their development. The schemes should be implemented keeping in view the ecology of hills and also their socio-cultural problems. If these problems are not kept in mind and are not studied well and are not implemented in right earnest, we may throw as much money down the drain as we like, but the expected benefit will not accrue to the hill areas. The economy of Hills will have to be interlinked with that of the plains because foodgrains are not cultivated in the hill areas and they have to depend for it on the plains. But, at the same time, the plains have to depend to a large extent on the hill areas. Most of the rivers and rivulets have their origin in the hills. Their catchment area is also in the hills. If we are not able to properly develop and utilize the natural resources and the rivers in the hills, then I feel that the desired development of the plains would not take place, as the economy of the plains is related to the natural resources of the hill areas.

[*English*]

MR. CHAIRMAN : You please continue next time.

PAPERS LAID ON THE TABLE

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to lay on the Table of the House a copy of Notifi-

cation No. 247/85-Customs (Hindi and English versions) published in Gazette of India dated the 2nd August, 1985 together with an explanatory note seeking to reduce the export duty on Coffee from Rupees 415 to Rupees 300 per quintal, under Section 159 of the Customs Act, 1962 [Placed in Library. See No LT 1252/85].

18.04 hrs.

The Lok Sabha then Adjourned till Eleven of the Clock on Monday, August 5, 1985/Sravana 14, 1907 (saka)