

[English]

Proposal to Establish Raw Silk Banks

7715. SHRI V.S. KRISHNA IYER : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal to establish Raw Silk Banks in the country to stabilise silk prices and to store raw silk ;

(b) the names of the places where the above raw silk banks will be established ; and

(c) whether the Central Silk Board has agreed for the establishment of these banks ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The Central Silk Board proposes to establish raw silk banks in the major consuming (weaving) areas of the country in a phased manner. One such raw silk bank has already started functioning at Varanasi from 4-2-1986. The other places where such silk banks will be established, are yet to be decided by the Board.

Abolition of Stamp Duty

7716. SHRIMATI PRABHAWATI GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to abolish stamp duty ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Under Article 246 of the Constitution read with Entry 91 of the Union List in the Seventh Schedule of the Constitution, rates of stamp duty in respect of the ten instruments viz. bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts are Union subjects. Presently, no stamp duty is being levied on cheques. In so far as the other nine instruments are concer-

ned, there is no proposal for the abolition of stamp duty thereon.

Setting up of Sugar Mills in Punjab

7717. SHRI CHARANJIT SINGH WALIA :

SHRI BALWANT SINGH RAMMOOWALIA :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of sugar mills in the country ;

(b) the number out of those in the co-operative sector ;

(c) the number of licences (Plan-wise) for sugar mills given to Punjab ;

(d) whether a study conducted recently has revealed that there is a great scope for setting up of sugar mills in Punjab ; and

(e) the number of licences for Sugar Mills proposed to be given in the country and how many in Punjab in the Seventh Five Year Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) & (b). There are 366 installed sugar mills in the country ; out of which 193 are in cooperative sector.

(c) A statement giving the number of licences/letters of intent granted for setting up new sugar mills in Punjab, Plan-wise, is given below. However, one sugar factory was established prior to the First Five Year Plan.

(d) It is for the Government of Punjab to examine the scope to set up more sugar mills in the State ; considering the availability of adequate sugarcane and other relevant factors.

(e) The Central Government does not propose areas or States for setting up

of sugar mills. The applications for grant of new licences submitted by parties through the State Governments with the latter's recommendations are considered subject to favourable agro-climatic conditions and techno-economic feasibility. No application for grant of licence for setting up a new sugar factory in Punjab has been received since October, 1985.

Statement

Statement giving the number of licences/ letters of intent granted for sugar mills Plan-wise in Punjab

Plan	Number
First Plan (1951-56)	2
Second Plan (1956-61)	2
Third Plan (1961-66)	1
Fourth Plan (1969-74)	Nil
Fifth Plan (1974-79)	2
Sixth Plan (1980-85)	6

[Translation]

Shortfall in foreign exchange reserves

7718. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that our foreign exchange reserves, are likely to register a fall of Rs. 200 crores during the Seventh Five Year Plan;

(b) if so, whether Government are negotiating or have reached an agreement with international development organisations for securing loans and grants at low rates of interest from them in order to make up this shortfall; and

(c) the efforts made in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) No, Sir. In the Seventh Five Year Plan period the foreign exchange reserves are expected to increase by Rs. 200 crores.

(b) & (c). Do not arise.

[English]

Insufficient funds for States to meet natural calamities

7719. SHRI B.K. GADHVI : Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that funds given by Planning Commission to the States to tackle the natural calamities like cyclone, floods and droughts are operating as constraints over the regular balances of the States;

(b) whether any steps are being contemplated to ease out the situation to find out a way to enable States to have resources for regular planning;

(c) whether Government propose to create additional funds so that grants and advances could be given to the States to meet such natural calamities like drought, famine, floods, cyclones, etc. so that it may not operate as a constraint on regular resource mobilisation for regular planning of the States; and

(d) if so, the modalities and direction contemplated in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As regards drought, the 8th Finance Commission recommended that the State concerned should contribute from its Plan upto 5 per cent of the Annual Plan outlay, and, is to be treated as an addition to the Plan outlay of the State in that year. To enable the State to make this contribution, the Centre provides assistance which is treated as advance plan assistance. If, however, the expenditure requirement can not be contained within 5 per cent of the plan outlay, the extra expenditure would be provided as Central assistance, half as grant and half as loan, and, is not adjustable against the Plan assistance of the State.