

THE MINISTER OF LABOUR (SHRI P.A. SANGMA) :
 (a) to (c) The Bonded Labour System stands abolished w.e.f. 25.10.1975 under Bonded Labour System (Abolition) Ordinance 1975 later replaced by Bonded Labour System (Abolition) Act, 1976. The legislation freed unilaterally all the bonded labourers from bondage with simultaneous liquidation of their debts and made the practice of bondage a cognizable offence punishable by law.

To supplement the efforts of the State Governments in rehabilitating the released bonded labourers the Ministry of Labour launched a Centrally Sponsored Scheme for rehabilitation of Bonded Labour w.e.f. 1978-79. The ongoing scheme provides rehabilitation assistance upto a ceiling of Rs. 6,250/- per bonded labourer, half of which is given as Central Share. The State Governments have been advised to suitably dovetail this scheme with other poverty alleviation and employment generation schemes for the purpose of effective rehabilitation of identified bonded labourers.

Action is taken against violators under the relevant provisions of the Bonded Labour System (Abolition) Act, 1976.

[English]

Disbursement of Funds by Financial Institutions

830. DR. R. MALLU : Will the Minister of FINANCE be pleased to state :

- (a) the ideal debt, equity, bonds and other financial instruments ratio for financial institutions for disbursement of funds in private sector units;
- (b) whether there is any such ideal ratio for U.T.I.;
- (c) if so, the details thereof;
- (d) whether the Government have any role in fixing this ratio; and
- (e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY) :
 (a), (d) and (e) Industrial Development Bank of India (IDBI) has reported that the financial institutions adopt flexible approach in regard to debt equity ratio depending on the size of the project, debt servicing capacity of the unit, risk involved in the project and other relevant factors. Though the debt equity ratio ranges between 1.5 : 1 to 2 : 1, large size projects particularly power projects in the private sector have been permitted higher debt equity ratio.

(b) and (c) Unit Trust of India (UTI) has reported that it normally follows the debt equity norms as followed by other developmental financial institutions.

Negotiations on Financial Services WITH W.T.O.

831. SHRI SOBHANADREESWARA RAO VADDE : Will the Minister of COMMERCE be pleased to state the details of efforts made by the Government in the negotiations on financial service which were expected to be completed by July 28, 1995 under the guidance of World Trade Organisation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : Several rounds of bilateal negotiations were held with major trading partners at Geneva. Government also established contact with concerned authorities in major capitals. These efforts were made in order to secure a larger market access package on the movement of natural persons in return for India's offer on financial services. We also pursue our view point vigorously in the negotiating Groups set up for the purpose under the WTC.

Import Duty on Raw Material for Toys

832. SHRI K.G. SHIVAPPA : Will the Minister of FINANCE be pleased to state :

- (a) the percentage of duty to be paid for importing raw materials for manufacture of toys;
- (b) the percentage of duty to be paid for import of toys as finished goods;
- (c) whether the Government have received any demand for reducing these duties; and
- (d) if so, the reaction of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY) :
 (a) Various raw materials used in the manufacture of toys attract different rates of customs duty.

(b) Toys attract peak rate of customs duty of 50% ad valorem. All toys are fully exempted from excise duty, additional duty of customs is not leviable on toys.

(c) and (d) Representations have been received both from the domestic manufacturers of toys for reduction of customs duty on raw materials used in the manufacture of toys and from the importers of toys requesting reduction of customs duty on toys as such. However, the Government is not considering, at presents, any change in the existing duty rates.

Industrial Reconstruction Bank of India

833. SHRI UDAYSINGRAO GAIKWAD : Will the Minister of FINANCE be pleased to state :