

(b) if so, the reasons therefor;

(c) whether Government propose to devise a comprehensive scheme at the national level for this purpose; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) and (b). No, Sir. Free legal aid is available to the poor in all Courts in almost all parts of the country. A large number of cases are also being settled by mutual agreements amongst the parties through Lok Adalats at no expense to the litigants.

(c) and (d). The Parliament has already passed the Legal Services Authorities Act, 1987 (No. 39 of 1987) which contains comprehensive schemes to cover all aspects of legal aid schemes i.e. provision of free legal aid to eligible persons in all courts in the country; establishment of Legal Services Authorities at the Centre, States and the Districts; conferment of statutory status on the Lok Adalats etc.

The Act is likely to come into force shortly.

#### Expansion of Export Business of MMTC

479. SHRI ATISH CHANDRA SINHA :  
SHRI SRI HARI RAO :  
SHRIMATI N.P. JHANSI LAKSHMI :

Will the Minister of COMMERCE be pleased to state :

(a) whether a study was recently conducted into the question of taking up substantial export business by the Minerals and Metals Trading Corporation (MMTC) for raising the minerals export;

(b) whether the report by the study team has been submitted to Government;

(c) if so, the details thereof;

(d) whether creation of separate export development fund for the MMTC has been suggested *inter alia* by the team; and

(e) the further steps being contemplated in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) to (e). The Centre for Studies on Technology and Trade (CSTT) were requested by the MMTC to give a report on the "Pole of MMTC in the promotion of exports of minerals from Andhra Pradesh, Madhya Pradesh and Orissa". The CSTT have since submitted their report which, *inter alia*, recommends marketing of surplus alumina of NALCO, formation of a co-operative of small producers of Barytes to organise systematic mining for sustained production, floating of a subsidiary of MMTC for import substitution of tungsten and export promotion of Tungsten graphite, either setting up of a company by MMTC with participation of Andhra Pradesh Mineral Development Corporation in its share capital or MMTC becoming the raising contractor of Andhra Pradesh Mineral Development Corporation, for quarrying for export production of granite, constituting a Mineral Development Fund, etc. The MMTC is yet to submit proposal arising from the above recommendations to the Government for approval, if any, required.

#### Capital Gains Accounts Scheme

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

(a) whether Government have recently notified a scheme, known as, 'Capital Gains Accounts Scheme';

(b) if so, the features of this scheme;

(c) whether certain public sector banks have been notified under this scheme;

(d) if so, the details thereof;

(e) whether under this scheme the banks are required to pay an interest of 10 per cent on deposits made for two years and above; and

(f) the persons eligible to make deposits under this scheme ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (f). Yes, Sir. A notification on 'Capital Gains Accounts Scheme, 1988' has been published in the Gazette of India on 22.6.88. This is a composite

scheme and is applicable to tax-payers who intend to avail of the exemptions provided under section 54, 54B, 54D, 54F or 54G of the Income-tax Act, 1961. The scheme will be operated for the present only through the 28 public sector banks including the State Bank of India. Deposits can be made in any of the branches of these banks except their rural branches. The scheme gives an option of two different types of deposit accounts, one being in the nature of a savings account, and the other a term deposit. The interest on the deposits will be allowed at the rates to be notified by the Reserve Bank of India from time to time. In the case of a term deposit for two years and above the present rate of interest is 10 per cent per annum.

**Soviet Offer of Foreign Currency Funds for Industrial Projects**

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

(a) whether the Soviet Union has offered foreign currency funds to India for deployment in setting up industrial projects in the country; and

(b) whether Union Government propose to consider utilisation of these funds for setting up a groundnut complex in the public sector in the backward area at Kadin Town in Anantapur District of Andhra Pradesh where large quantity of groundnut is produced ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) So far, the Government of USSR has extended 14 Economic Credits to the Government of India in Roubles. These Credits are utilised for identified projects in India.

(b) No such project has been identified for utilisation of Soviet Credit so far.

**Project Identified USAID Assistance**

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

(a) whether the United States Agency for International Development (USAID) has identified projects for assistance worth

35 million dollars for the financial year 1988-89;

(b) whether any portion of this aid is being given to Andhra Pradesh to finance any ongoing projects or new projects; and

(c) the norms, if any, that are adopted in distributing this aid to various States ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) For the U.S. Fiscal Year 1988 (Oct. 87 to Sept. 88) the quantum of Development Assistance is expected to be of the order of US \$ 22 million. For US FY 1989 (Oct. 88 to Sept. 89) no firm decision has yet been taken by US Government in regard to the level of assistance to India.

(b) The activities of the Water and Land Management Institutes in certain States are presently being funded under the USAID assisted IMT Project. The WALMI of Andhra Pradesh is included in this project.

(c) There are no specific norms as such. The allocation of aid for projects depends broadly on the readiness of the State Governments for financing their share of the projects, the convergence between the profit of the project and the objectives of the aid giving agency, and the capacity for implementation in the States. An attempt is made to locate foreign aided projects in different States based on their need and their capacity to absorb the aid.

**Rise in the Wholesale Price Index**

483. SHRI K. RAMACHANDRA REDDY :  
SHRIMATI N.P. JHANSI LAKSHMI :  
SHRI SRI HARI RAO :  
SHRI S.B. SIDNAL :

Will the Minister of FINANCE be pleased to state :

(a) the wholesale price index for all commodities when the Budget was presented in February 1988;

(b) the present wholesale price index for all commodities;