

on potatoes and onions in Bihar is taken by the Government of Bihar in exercise of its constitutional powers.

[English]

Amendment to Industrial Development and Regulation Act

2626. SHRI K.S. RAO : Will the Minister of INDUSTRY be pleased to state

- (a) whether the Government propose to amend Industrial Development and Regulation Act, 1951;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the small Scale Industries are likely to be benefited as a result thereof; and
- (d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) In the process of review of laws, regulations and simplification of procedures, the Government has taken up review of the Industries (Development and Regulation) Act, 1951. An Expert Group which has been constituted to review the Act in consultation with the Apex Industry Associations is holding consultations on the same.

[Translation]

Promotion of Handicrafts in U.P.

2627. SHRI RAJVEER SINGH : Will the Minister of TEXTILES be pleased to state :

- (a) whether the Government have received any proposal from the Government of Uttar Pradesh in 1998 to accord approval to the project for development of art of weaving by gold threads (dari-jardoji) in Bareilly district of Uttar Pradesh;
- (b) if so, whether the project has been sanctioned so far; and
- (c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) No Proposal has been received by the Government from Government of Uttar Pradesh. However, a proposal has been received from U.P. Export Corporation Ltd., Kanpur for development of Zari and Zardoji of Bareilly District of Uttar Pradesh. The said proposal was discussed with officials of Government of Uttar Pradesh on 25.1.99 and based on these discussions a revised proposal from Uttar Pradesh Export Corporation has been received only on 4.3.99. As such, it is premature to sanction the project.

Allocation of Funds to Nagaland

2628. SHRI K.A. SANGTAM : Will the Minister of FINANCE be pleased to refer to the Unstarred Question No. 3251 dated 10.7.1998 and 1145 dated 4.12.1998 regarding allocation of funds to the State of Nagaland and state :

- (a) whether the information has since been collected;
- (b) if so, the details thereof;
- (c) if not, the reasons for delay;
- (d) whether Government are aware that due to delay in clearing the financial liabilities to these Government Corporations are on the verge of closure and are resulting in payment of heavy interest; and
- (e) the steps likely to be taken for early release of funds to remove the financial constraints on the State of Nagaland for these Corporations?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir. It may be added that the Question asked initially by the Hon'ble Member was Unstarred Question No. 3451. (and not 3251) dated 10.7.1998.

- (b) A Statement giving the details is enclosed.
- (c) Does not arise.

(d) and (e) With the exception of Nagaland Paper and Pulp Mills, all the undertakings referred to by the Hon'ble Member in his earlier Unstarred Question No. 3451 dated 10.7.1998 are State Government Undertakings. Nagaland Paper and Pulp Mills is a subsidiary of Hindustan Paper Corporation which is a Central Government Undertaking. All these Undertakings are being assisted to the extent possible. The Statement given in reply to part (b) of the question may also be seen.

Statement

*Allocation of Funds to Nagaland
In respect of Unstarred Question No. 3451 answered on 10.7.1998 and Unstarred question No. 1145 answered on 4.12.1998 in the Lok Sabha regarding Funds to Nagaland, the information collected is as under*

	(Rs. in lakhs)
(i) Nagaland Forest Products Ltd., Tizit	2388.00
(ii) Nagaland Sugar Mills Company, Dimapur	1300.00
(iii) Nagaland Handloom and Handicrafts Development Corporation, Dimapur	400.00
(iv) Nagaland Industrial Raw Material Supply, Dimapur	45.00

The financial viability of the above mentioned undertakings is the concern of the State Government and it is for the State Government to decide how best they can be helped. All these undertakings are engaging the constant attention of the State Government.

Nagaland Paper and Pulp Mills :-

This is a subsidiary of Hindustan Paper Corporation which is a Central Government Undertaking. Due to erratic power supply from the grid, coupled with disturbed working conditions and lack of infrastructure facilities, the Nagaland Paper and Pulp Company was achieving low capacity utilisation and was incurring losses right from inception. As the losses were more than the share capital, the Company had to be referred to the BIFR on 7.4.92. Though the company was discharged in November, 1995 from the purview of BIFR with retrospective effect from April, 1993 on the basis of the financial restructuring carried out by the Government of India w.e.f. that date, the revival scheme could not be taken up due to law and order problems etc. The company had to be referred again in 1997-98 to BIFR because its net worth as on 31.3.1997 became negative. The accumulated losses of the company as on 31.3.1998 amount to Rs. 146.37 crores. There has been no production in the unit since October, 1992. However, the workers are being paid their wages regularly.

Excise Evasion by I.T.C.

2629. SHRI G. GANGA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether a case involving a sum of Rs. 803 crores of excise evasion by ITC is pending before CEGAT since long;

(b) if so, the details thereof; and

(c) the details of the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) No, Sir.

(b) Does not arise.

(c) Does not arise.

[Transaction]

Economic Sanction by Japan

2630. DR. ASHOK PATEL :
SHRI ANAND RATNA MAURYA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Japan has also brought the ongoing projects under the purview of the sanctions expanding scope of sanctions;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) Disbursements for ongoing projects wherever agreements have been signed are not affected by the present Japanese sanctions. For second and subsequent tranches of ongoing projects, the Japanese side have informed that the same would be considered on a case to case basis.

[English]

Branches of Regional Rural Banks

2631. SHRI C.P.M. GIRIYAPPA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have taken a final decision to set up more branches of Regional Rural Banks;

(b) if so, the details thereof;

(c) whether any steps have been taken towards setting up the same; and

(d) if so, the details thereof, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Government have not imposed any restriction on Regional Rural Banks (RRBs) setting up more branches. Application from RRBs for opening of new branches in their areas of operation are considered on merits of each case, specially looking into the financial viability of such branches, the service area approach to rural lending and the existing branch net-work in the area.

(c) and (d) The State-wise details of branches of RRBs opened during 1997-98 are given in the Statement enclosed.

Statement

Details Regarding Opening of New Branches of Regional Rural Banks (RRBs) during the Year 1997-98

Sl. No.	State	Branches opened during the year
1	2	3
1.	Haryana	0
2.	Himachal Pradesh	0
3.	Jammu & Kashmir	0
4.	Punjab	0