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Friday, July 19, 1996

Asadha 28, 1918 (Saka)

LOK SABHA DEBATES **(English Version)**

Second Session
(Eleventh Lok Sabha)



(Vol.III contains Nos. 1 to 10)

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LOK SABHA

Friday, July 19, 1996/Asadha 28, 1918 (Saka)

(The Lok Sabha met at One Minute Past
Eleven of the Clock)

[MR. DEPUTY SPEAKER in the Chair]

OBITUARY REFERENCES

[English]

MR. DEPUTY-SPEAKER : Honourable Members, I have to inform the House of the sad demise of one of our former colleagues Shri R. Jeevarathinam.

Shri R. Jeevarathinam was a member of the Eighth of Tenth Lok Sabhas representing Arakkonam parliamentary constituency of Tamil Nadu during 1984-96.

Earlier he had been a member of Tamil Nadu Legislative Assembly during 1962-67.

Shri Jeevarathinam actively participated in the freedom struggle. His endeavours in drawing the attention of the world community towards Indians valiant struggle for independence are noteworthy. He also suffered imprisonment for several years during "Quit India Movement".

A widely travelled person, Shri Jeevarathinam was a Member of the Parliamentary Delegation to Central Africa in 1986. He was an active social and political worker. He worked relentlessly for the welfare of the downtrodden sections of the society and spread of education. He was the Founder Chairman, Muthurangam Government Arts College, Vellore.

He made valuable contributions to the proceedings of the House and its several Parliamentary Committees.

Shri Jeevarathinam passed away at Vellore in Tamil Nadu on 28 June, 1996 at the age of 75 years.

We deeply mourn the loss of our distinguished friend and I am sure the House will join me in conveying our condolences to the bereaved family.

The House may now stand in silence for a short while as a mark of respect to the memory of the departed soul.

11.03 hrs.

*The Members then stood in silence
for a short while.*

11.04 hrs.

ORAL ANSWERS TO QUESTIONS

[Translation]

Capital Investment for SSIs

*141 PROF. PREM SINGH CHANDUMAJRA :
SHRI NITISH KUMAR

Will the Minister of INDUSTRY be pleased to state

(a) whether the Government are considering to increase present capital investment limit in small scale industries

(b) if so, the present limit and how much it is proposed to be increased.

(c) whether the Government propose to cut down the present list of items reserved for small scale industries, and

(d) if so, the details thereof and the reasons therefor?

[English]

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) : At present, the limit for investment in plant & machinery for a SSI unit is Rs. 60 lakhs. In case of ancillary industrial undertaking export oriented SSI unit, this limit is Rs. 75 lakhs. The increase of present capital investment limit is under consideration of Government.

(c) and (d) : At present, the number of items reserved for SSI sector is 836. Review of the list of items reserved for exclusive manufacturing in the SSI sector is a continuous process.

[Translation]

PROF. PREM SINGH CHANDUMAJRA : Mr. Deputy Speaker, Sir, small scale industries are very important for our country because ours is an over populated country. The limit for investment in these industries is the same as it was in 1990-91 and it has not been increased so far, whereas in the mean time devaluation of rupee has also taken place and there is greater load on account of global competition. According to the I.L.O. report, in other countries also, preference is being given to the small scale industries and even countries like the U.S.A. and Japan have begun giving preference to these industries.

All the countries of the OICD have given first preference to the small scale industries. The importance of these industries in our overpopulated country is more. Mahatma Gandhi laid stress on the promotion of

Small scale industries. However, the limit for investment has not yet increased. The Hon'ble Minister, in a seminar, had stated that this limit would be increased from Rs. 60 lakh to Rs. 3 crore. Before that, Shri M. Arunachalam, who was the Minister incharge of the Department of Small Scale Industries and is now the Minister of Urban Affairs and Employment had also made such a proposal but that proposal has not so far been implemented. What is the reason therefor?

I would like to know whether instructions have been given to the RBI regarding the excise duty exemption and the import of machinery and whether Government is prepared to reduce the rate of interest for loans?

[English]

SHRI MURASOLI MARAN : Sir, we are all aware of the importance of small scale sector and its contribution to the Indian economy. In fact it contributes 40 per cent of our industrial output, 50 per cent of our factory employment and 35 per cent to our exports. As I had said already, there is a plan to update the investment. The present ceiling is Rs. 60 lakh. There is a demand from several quarters that it should be increased to Rs. 3 crore.

Recently a Committee of Secretaries was appointed by the Government which has agreed to this view. The Government is actively considering to enhance the limit.

[Translation]

PROF. PREM SINGH CHANDUMAJRA : I would like to know when it would be done because this proposal has come up before the house many times. Secondly, I would like to know whether tax exemption would be granted or not. Third point is a very important. I have heard that the government propose to allow foreign equities to intervene in our country. If it is true it would be very dangerous for our country. Our small scale industries would not be able to compete with them because their machinery and technology are better. Our government neither makes available the needed technology nor provides laboratories etc. for the staff nor makes the machinery tax free. If multinational companies are allowed to intervene. It would be very dangerous for our country. Is it a fact that foreign equities would be utilised in small scale industries?

[English]

SHRI MURASOLI MARAN : Sir, the hon. Member has asked a question as to how soon it will be implemented. I would say that we are awaiting Expert Committee Report which is headed by Dr. Abid Hussain. They are going to submit the Report by the end of October. After receiving the Report, we will take into consideration all the recommendations and along with that we will consider enhancement of this limit further.

The hon. Member has said that if multinationals are allowed to enter into the small scale sector, it will destroy

them. I totally agree with him. Our Common Minimum Programme says that entry of multinationals into the low priority areas will be discouraged through suitable fiscal and other measures. Sir, it will be taken care of.

Again there is a clear-cut saying that there are a number of domestic industries which are essentially home based or village based requiring low skills and employing a large number of people.

These industries will be given adequate protection and it will be ensured that foreign investment does not replace such industries. Sir, we will take adequate care.

[Translation]

SHRI NITISH KUMAR : Mr. Deputy Speaker, Sir reply to part 'C' and 'D' of the question, the Hon'ble Minister stated that :

[English]

"At present the number of items reserved for SSI sector is 836. The review of the list of items reserved for exclusive manufacturing in the SSI sector is a continuous process.

[Translation]

This reply is evasive because in the question it had been categorically asked :

[English]

"Whether the government propose to cut down the present list of items reserved for small scale industries; and if so, the details thereof and the reasons therefor?"

[Translation]

What is the view of the government in this regard- Whether Government proposes to cut down or expand the present list of items? The government should have come out with a reply in this regard. The committee on Public Undertakings has recommended that the SSIs should be protected and the reserved list should not be cut down. What is the reaction of the govt thereto? When you cut down the said list, then all the big companies, multinational corporations, foreign companies etc. would come in and it will be very difficult to compete with them. The Hon'ble Minister stated that in factory employment the share of SSI is 50 percent and that of the export is 35.15 per cent. In such circumstances, a clear-cut answer should be given. The question is specific and therefore its answer should also be specific.

One more clarification is needed as regards the reply given by the Hon'ble Minister. As for raising the limit, we all awaiting the recommendations of the expert committee appointed for this purpose. It's report is expected to be received by October. But, we would like to know whether it is proposed to increase the present limit of equity holding, which is 24 percent so as to allow back-door entry to the multinational companies.

foreign companies and big industries. What mechanism the government has devised to prevent it. Whether Government propose to increase their equity holding as well and allow them to make an entry in the present phase of liberalisation.

Referring to the Common Minimum Programme of the United Front Government the Hon'ble Minister said that the multinational companies would not be allowed to enter the low priority areas. We would like to know whether MNCs would be allowed to manufacture the 'bhujia' of Bikaner. MNCs are coming in a big way to manufacture 'Papad' soft drinks etc. The Hon'ble Minister has stated that farmers are being benefited to a great extent by the entry of Pepsi, Cola, whereas the fact is otherwise. Farmers are not being benefited in any way. As such, there is a controversy about the definition of low priority area as given by you. In such a situation, your claim is not believable. Therefore, please tell us categorically whether the level of equity holding is proposed to be increased or not. What is the reaction of the Government to the suggestion made by the Committee on Public Undertakings to the effect that the list of items reserved for SSIs, Should not be cut down?

[English]

SHRI MURASOLI MARAN : Sir, I will take up the second question first. Even though there are demand to increase the equity participation of larger holdings from 24 per cent to some more percentage, it is not presently under the consideration of the Government. So I can assure the hon. Member that we are only considering it, we have not taken any decision. We will not take any decision which is injurious to the small scale and tiny sector. In fact, it is our firm opinion that the small scale sector along with the tiny sector not only should be promoted but should be protected.

Regarding reservation, it is for information that we started in 1967 with 47 items. Presently, there are 836 items reserved for small scale industries. But the fact is that among the 836 items, only 233 are produced according to the second All India Census taken by NIC on behalf of the Small Scale Industries Department. Not only that, 80 per cent of the units produce only 39 of the reserved items. Another factor is, 60 items in the reserved list account for 80 per cent of the production of reserved items.

Also there is a lower growth and lower capacity to recession in those reserved sectors. But at the same time, I take the point of view of the hon. Member. It is a very sensitive issue because presently the de-licensing of industrial sector has exposed the small scale sector to the challenges of large and medium sectors including multinationals. Further, the reduction in customs and excise duties has reduced the zone of protection to the SSI sectors. So we have to protect them. What we have done is, there is an Advisory Committee attached to the Ministry. It could not take a decision. So the Advisory

Committee has appointed a Sub-Committee with Shri Vijayaraghavan, Additional Secretary from Ministry of Commerce, as the Chairman to go into the problem of reservation. They are at it.

Secondly, there is the Abid Hussain Committee, an expert Committee on Small Enterprises. They are also going into the problems as part of the overall strategy to be adopted by the Government. And thirdly, there is a Study Group which is going into it. Its aim is to assess the strength and weakness of the small scale sector for rational support programmes including that of reservation. The Abid Hussain Committee is to give the Report by October 1996. Therefore, we will not take a hasty decision. We will wait for the Report. We will have a wide debate on this. Then only, will we go into that problem. Therefore, there need not be any fear that we will take away reservation. I assure the hon. Member.

SHRI NITISH KUMAR : What about *Bikaneri Bhujia*?

SHRI MURASOLI MARAN : Sir, the hon. Member has asked about *Bikaneri Bhujia*. I come from the land of *Idli and Dosa*. So I do not know about it.

DR. MURLI MANOHAR JOSHI : The *Idli and Dosa* will be sold soon by multinationals.

SHRI MURASOLI MARAN : That is right.

DR. MURLI MANOHAR JOSHI : Just wait for a few years. Just like *Bikaneri Bhujia*, there will be a multinational *Dosa* for Rs. 100/- a piece.

SHRI MURASOLI MARAN : Sir, I am told that *Bikaneri Bhujia* is not produced by Pepsi but it is being marketed by Pepsi. They are doing some value addition. They are putting it in an attractive packet and they are selling it. So no displacement of labour has taken place. This is the Report I am having... (Interruptions)

DR. MURLI MANOHAR JOSHI : I, as a Member of the Committee on the Trade Marks Bill, had visited Jaipur and other places in Rajasthan. Several people and the Members of the Bhujia Manufacturers' Association had come and said that their business was going down and therefore, consequently there would be a retrenchment of their labourers. About 50,000 people are involved in that. They are on the record of the Committee.

SHRI MURASOLI MARAN : Please supply me the information. I will go into it. My information is that the *Bikaneri Bhujia* packeted, wrapped up and supplied by the Pepsi Company is costlier, more expensive than that of the ordinary *Bikaneri Bhujia* available in the street corners.

DR. MURLI MANOHAR JOSHI : Marketing is there. You see, now once it is in the market, it comes on the TV and all other types of propaganda is carried out.

SHRI NITISH KUMAR : Once they capture the market, they will capture the production also.

SHRI MURASOLI MARAN : But they will have to pay a higher price that you should not forget. If people

are willing to pay a higher price ... (Interruptions) That is the basic thing ... (Interruptions)

SHRI NITISH KUMAR : They spend huge sums on advertisements.

SHRI MURASOLI MARAN : Anyhow, this is an issue. We will go into the problem. I will have some information from the hon. Members... (Interruptions)

SHRI NITISH KUMAR : Please protect us, Sir. Now we are compelled to eat costly 'Uncle Chips'. In this country, everybody knows it. Why are you evading? ... (Interruptions)

SHRI N. S. V. CHITTHAN : Hon. Deputy Speaker, Sir, from the Statement furnished by the hon. Minister, it is known that there are 836 number of items reserved for SSI units. Sir, I am sure that cycle tyres and tubes are not included in these reserved units. Bicycle is the poor man's vehicle. Each and every house has got a cycle. Now-a-days, after the general election, the symbol of cycle has become very popular in Tamil Nadu also. At present, the giant manufacturers of automobile tyres and tubes are making cycle tyres and tubes. As a result of this, the units making cycle tyres and tubes in small scale sector are becoming sick and is facing closure. May I know from the hon. Minister whether the manufacturing of cycle tyres and tubes may be reserved for small scale units?

SHRI MURASOLI MARAN : Sir, I have no idea whether cycle tyres and cycle tubes are in the reserved list or not. I think they are reserved. But the point is, the reservation came into effective only from 1967.

So, if the multinational companies or big companies are producing before 1967, there was no provision to ban them. Probably, they would have taken shelter under this provision. They will be manufacturing them. If any industry becomes sick, naturally proper recourse will be taken to treat the sickness.

[Transiation]

SHRI SATYADEO SINGH : Mr. Deputy Speaker, Sir, the Hon. Minister referred to the ancillary units. These units are functioning alongside all the big units in our country. It has been the policy of the Government to develop ancillary units in a planned manner so that these may cater to the requirements of the big units. All these ancillary units are sponsored by those big units which cannot intrude into the field of ancillary units and thus, these big industries have found out a *via media*. By setting up ancillary units, these big units thus manufacture items included in the reserved list. Whether the Government is aware of it also if so, the steps it proposed to take in this behalf?

[English]

SHRI MURASOLI MARAN : Ancillaries are there not only for the large scale industries but also for the

public sector undertakings. At present, I do not have the information. I will supply all the information to the hon. Member.

SHRI SANDIPAN THORAT : Sir, the small-scale sector is a big employer and in this sector, so far as my knowledge goes, there is no reservation for the Scheduled Caste and Scheduled Tribe entrepreneurs. Though the industries are reserved, yet for the entrepreneurs they are not reserved.

May I know from the hon. Minister whether the reservation has been prescribed for the Scheduled Caste and Scheduled Tribe entrepreneurs in the small scale sector? An amount of Rs. 60 lakh has been prescribed for the project but what is the equity and term loan?

Secondly, so far as the Scheduled Caste and Scheduled Tribe entrepreneurs are concerned, he may clarify whether the equity participation will be financed by the Government or not.

SHRI MURASOLI MARAN : Sir, as far as the reservation for the *harijans* is concerned, I have no information. I will supply the hon. Member with all the information.

As far as equity is concerned, there is one National Equity Fund which is being implemented by the Government. It is for expansion, modernisation, technology upgradation and diversification. Now, they are providing 25 per cent of the project cost, subject to a minimum of Rs. 2.5 lakh. This has not picked up yet even though it is nine years old. We are doing it, but there is a lack of cooperation from the nationalised banks. We are making all efforts to make it more effective.

SHRI SURESH PRABHU : Sir, we have just heard the statement from the Minister of Industry that they are reviewing the policy of reservation and some items could be reduced in view of the fact that some of those items are not manufactured. As far as our ancient culture is concerned, so many of such items are manufactured in cottage sectors for more than hundred years. Is the Government contemplating to reserve such items only for village industries?

There are small scale industries working in the backward areas and are facing serious problems in the absence of a proper infrastructure. Is the Government contemplating to provide additional incentive to such areas, particularly backward areas, like the Konkan which are really suffering because there is not enough infrastructure? The previous Government had announced and even the Minister of Finance had made a statement in his Budget speech that he is going to end the *inspector raj* which is really causing serious problems for the small scale sector. The *inspector raj* is still prevailing. I want to know from the hon. Minister when is it going to end.

SHRI MURASOLI MARAN : The very idea of liberalisation is to do away with the *inspector raj* and permit and licence *raj*. It is going on.

We are also building up on what has been built up already.

There is an Integrated Infrastructural Development Scheme (IIDS) which is there to develop the infrastructure for small-scale industries. As I have said, we have no idea of scrapping the reservation at all. We are waiting for the report of Dr. Abid Hussain Committee and two other committees—one headed by an Additional Secretary in the Commerce Ministry, Shri Vijayraghavan, and the other by an officer of an Indian Institute in Ahmedabad. After getting these reports, we shall have a countrywide debate, we shall consult all the parties concerned and we shall also consult the small-scale sector as well as the tiny sector. It all depends on whether they increase the list or decrease the list. Let us wait for these expert committees' reports.

As regards the backward areas, I shall send all the information to the hon. Member.

[Translation]

SHRI RAMENDRA KUMAR : Mr. Deputy Speaker, Sir, I thank you very much for paying attention to back-benchers. The SSI units are generally sick and suffer from lack of raw material, power and market. May I know from the Hon'ble Minister what policy Government proposes to lay down to improve the lot of these units in this respect?

[English]

SHRI MURASOLI MARAN : Sir, the small scale industries are well taken care of by various organisations. Their main problem is marketing. Among the States also, they have got their own small scale sector which is very much thriving and vibrant. So, they are taking care of it.

Fiscal Deficit

*142 DR T SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state

(a) whether the Reserve Bank of India has expressed concern over the quality of fiscal adjustment and sustainability of the fiscal position of the Central Government,

(b) if so, whether it has also maintained that all the major indicators of deficit of the Central Government show deterioration for the year 1995-96;

(c) if so, the most disturbing aspects pointed out by the RBI in this connection; and

(d) the other concerns RBI has expressed over fiscal deficit and what steps Government propose to take in this regard?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P CHIDAMBARAM) : (a) to (d). A statement is laid on the Table of the House.

STATEMENT

The Reserve Bank of India in its Annual Report and the report on Currency and Finance, 1994-95 has stated that the fiscal corrections undertaken by the Central Government since July, 1991 have achieved reasonable success in reducing the fiscal deficit and primary deficit. However, the RBI has expressed concern about the quality of fiscal adjustments and sustainability of fiscal position. For 1995-96, the RBI has referred mainly to the budget estimates.

One of the most disturbing aspects, according to the RBI, is the persistence of the large revenue deficit emanating from the growth in revenue expenditure, particularly interest payments coupled with relatively sluggish revenue performance. This has necessitated larger recourse to borrowings by the Government at higher interest rates resulting in increased pressure on interest payments.

It has been the policy of the Government to improve the fiscal balance through increase in revenue receipts and reduction in the expenditure. Revenue receipts which declined to 9.4 per cent of GDP in 1993-94 have since then shown an increasing trend, reaching 10.1 per cent of GDP in 1995-96 (RE). Total expenditure has declined from 19.7 per cent of GDP in 1990-91 to 16.7 per cent in 1995-96 (RE). Revenue expenditure has also declined from 13.7 per cent of GDP in 1990-91 to 13.1 per cent in 1995-96 (RE). The net result has been slow decline in revenue deficit from 3.5 per cent of GDP in 1990-91 to 3.1 per cent in 1995-96 (RE).

DR T SUBBARAMI REDDY : Sir, I fully agree that the Central Government, since July, 1991, have achieved a reasonable success in reducing the fiscal deficit and primary deficit. But I would like to bring to the notice of the hon. Finance Minister that in 1991, when the then Government had introduced liberalisation of the economy, the entire world became spellbound, this also stimulated and inspired various countries of the world to participate in building this great nation by investing in the massive industrialisation. This is very very appropriate also.

Everybody speaks about how to eradicate poverty and how to remove frustration from the minds of the youths who are suffering. Even after becoming graduates, there are no jobs for them. For this, the solution is only creation of more production through industrialisation and through new projects. But it is a matter of great distress that today our country's position is such that there is an unprecedented crunch of money, an unprecedented deficit of finances. No banks are having money, no financial institutions are having money

and no State Government is having money. If this situation continues, perhaps the economic growth and the industrial growth of the country are likely to collapse in future, with the result that we will not be able to dream of removing poverty and frustration among the youths, even though we are going to enter the twenty-first century.

MR. DEPUTY SPEAKER : Please ask the question.

DR. T. SUBBARAMI REDDY : Yes, Sir, I am asking the question. Why I am telling all this is because it is very very important for everybody. There are three or four ways of solving this problem of cash flow. So, I would like to know from the hon. Ministers whether it is possible to solve the problem by increasing the fiscal deficit and by giving more cash flow to the country through RBI. Even though by doing so there might be some increase in inflation, it might help in the economic growth of the country.

SHRI P. CHIDAMBARAM : Sir, I am grateful to my friend who has always something new to say. But for questions like this, whether we should raise the deficit or not, I would request him to wait until Monday.

DR. T. SUBBARAMI REDDY : Sir, there has been a conception, inception and perception in the minds of the people that if the Statutory Liquidity Ratio (S.L.R.) and Cash Reserve Ratio (C.R.R.) are a little more reduced by the R.B.I.—I do know that the C.R.R. was reduced by one per cent by our dynamic Finance Minister - whether it was going to help us with more money with this little more reduction, I heard that because of the S.L.R. being high the banks are also feeling congested and not able to do much. On this, may I know from the hon. Minister whether it is possible or not.

SHRI P. CHIDAMBARAM : Sir, these are decisions which are taken by the Reserve Bank of India as part of the monetary management. As the hon. Member just now said, the R.B.I. had reduced the C.R.R. requirements which had pumped in money into the economy. In fact, in the last week I do not hear anything about the liquidity crunch. On the contrary I am reading reports about the liquidity overhand. These are questions which should be decided by the R.B.I. at the appropriate time. I do not think I can anticipate what the R.B.I. will do or should do...*(Interruptions)*

DR. T. SUBBARAMI REDDY : Sir, he has not replied to my question.

MR. DEPUTY-SPEAKER : You have put your two supplementaries.

DR. T. SUBBARAMI REDDY : Sir, the Minister says that there is no problem for money. But every bank is having total crunch of money...*(Interruptions)*

SHRI P. CHIDAMBARAM : Not in the last week.

SHRIMATI KRISHNA BOSE : Mr. Deputy Speaker, Sir, may I ask the Finance Minister with regard to fiscal

deficit? Sir, will he tell the House if the recent increase in the fertiliser subsidy will worsen the fiscal deficit and will he also tell us whether any survey has been made? I am sure that he knows about it also that most of the surveys show that the benefits out of the fertiliser subsidy never reach the poor tiller and they go to the fertiliser manufacturers or to the well-to-do farmers. In that case will this increase worsen the fiscal deficit? Will it have an adverse impact on our fiscal policy and will it hurt the national economy?

SHRI P. CHIDAMBARAM : Sir, as I understand the hon. Member, she wants to know whether the increased subsidy on the fertiliser will increase the fiscal deficit. That is really not directly related to this question. But I will try to answer.

Increase in fertiliser subsidy will mean increase in the non-Plan revenue expenditure of the Central Government to the extent that there are no revenues to match it, one has to borrow. Fiscal deficit is a total borrowing of the Government of India. If we are able to raise revenues and if we cut back borrowing, fiscal deficit will come down. I do not think that there is a direct co-relation between the increase in subsidy and increase in fiscal deficit. But, generally speaking, if you spend more, and if you do not have revenues, there will be revenue deficit which will lead to a fiscal deficit.

On the other question whether the fertilisers go to the farmers, I would assume that these plans are intended and these subsidies are given so that the fertilisers reach the farmer. If there are difficulties in the fertilisers reaching the farmer, I agree with the hon. Member that they should be looked into and those deficiencies must be rectified. But I would request the hon. Member to address a separate question to the Department of Fertilisers which deals with it and they will answer her about how they ensure that the fertiliser reaches the farmer.

SHRI P. UPENDRA : Sir, the hon. Minister in his statement has admitted the need for improving the fiscal balance on increasing revenue receipts and reduction on revenue expenditure. The statement also says that during the five years from 1990-91 to 1995-96 the revenue expenditure declined from 13.7 per cent of GDP to 13.1 per cent. This is only 0.6 per cent in five years. I would like to know from the hon. Minister as to what steps he is taking to reduce the revenue expenditure so that he can improve the fiscal balance.

SHRI P. CHIDAMBARAM : Sir, this is the hardest part of any Finance Minister's task - how does one reduce revenue expenditure unless we instill in this country a philosophy that you cannot spend your way to prosperity?

There are so many claims. Many of these claims are perfectly justified. There are claims by the States, there are claims by the Union Territories, there are claims by various Ministries, there are claims for new schemes and new programmes. There are other claims

also, like the claims of Defence. So, it is not an easy answer, how one can control revenue expenditure.

All that I can point out is that as a percentage, total expenditure is coming down and revenue expenditure also is coming down. But our revenue expenditure still, according to me, is too high leading to revenue deficit and leading to fiscal deficit. I think we should be far more strict in scrutinising our schemes and plans. We must be strict in our expenditure management, our cash management. There are no easy answers to it.

On the other hand, I must also point out that the Government is duty bound to provide enough funds for matters like drinking water, primary education and primary health care. These are the demands of the people. The control of expenditure is an important plank of our strategy. Also, another important part of our strategy is raising of revenue. We can allow revenue expenditure to grow, but we must also raise revenue so that the revenue deficit and fiscal deficit do not go out of hand.

SHRI P. SHANMUGAM : Hon. Speaker, Sir, may I know from the Finance Minister if it is a fact that there is a shortage of one rupee and two rupee coins and one rupee and two rupee notes? If so, what are the steps that the Government is taking to overcome this shortage? People are facing extreme difficulties to get these notes. For example, if a man is travelling in a taxi or an auto-rickshaw and gives a 50 rupee note or a 20 rupee note to the driver, he cannot get change from the driver. The hon. Minister may look into the matter.

SHRI P. CHIDAMBARAM : This is a separate question, but I am happy to assure the hon. Member that I am looking into this matter. We are coining our low denomination currency of one rupee, two rupees and five rupees. We are trying to shift to coins because they last longer than notes. We are trying to augment the supply. I know that there is a temporary shortage which has been there for about three or four months. We are trying to make good the shortage.

SHRI A. C. JOS : The hon. Minister has said that the deficit is coming down. The Reserve Bank of India has also expressed that fiscal deficit is coming down. What we observe in this country is that our revenue expenditure is cut down by putting a cap on employment potential of the Government side.

In this country, as we are aware of it, the Government is the biggest employer. To cut the fiscal deficit, all the Departments are being asked not to appoint anybody and the posts are kept vacant. With the result that, many of the Departments are inefficient, undermanned and are not working, especially the revenue earning departments or sectors like TV and Radio. What I understand is that more than 6,000 to 7,000 posts are kept vacant in many Departments. Instead of capping the Government employment potentiality and appointment to the Government posts, the hon. Minister may stress the cut of revenue in other

expenditure. Will the Government be able to sanction posts in development activities because due to the lack of posts, the developmental activities are rather restricted? Will the Minister take away the cap put on the employment or appointment and ask the Departments to make essential appointments, wherever necessary?

SHRI P. CHIDAMBARAM : I am not quite sure that there is an absolute cap, as the hon. Member seems to indicate. Talking from my memory, I can say that the total number of employees with the Government, excluding the Armed Services, was 3848162 as on 1.3.95 and 3943444 as on 1.3.96, something like 95,000 more people were employed in one year.

So, I do not think that there is an absolute cap. He is quite right because of the studies conducted by SIU in sections or in departments, they may have identified that because of an attrition of portfolio, because of transfer of programmes, or because of mechanisation or because of improved productivity, certain jobs are not required and it is possible that in some departments, some posts have remained vacant for two or three years. Then, there is a rule which says that since it has been lying vacant for two or three years, it need not be filled up. I do not think there is an absolute cap. I know that we are sanctioning a large number of posts. We are allowing people to fill up posts. If there is any specific problem, he can bring it to my notice.

SHRI A. C. JOS : It is there especially in the Ministry of Information and Broadcasting.

SHRI P. CHIDAMBARAM : If there is any problem in any specific Ministry and if the hon. Member brings it to my notice, I will certainly look into it.

SHRI SONTOSH MOHAN DEV : Mr. Deputy-Speaker, Sir, actually I feel pity for the hon. Minister of Finance. He started well with rationalisation of the Government employees. But he had to take it back on the demand of the C.P.I.(M) and C.P.I. I do not dispute that because he has to live with 13 parties.

But it is a fact which was said by Shri Jos that in certain Ministries recruitment of people is necessary. In the North Eastern areas, they are manning 32 TV transmitters in remote areas with an ordinary man, that is, peon. Once it goes out of order, it cannot be repaired for 14 to 15 days. In such place, recruitment is necessary.

But there are areas where modernisation is taking place like in SAIL and the quantum of people can go down there. I would humbly request that he should adjust his understanding with the United Front parties and they should be reasonable on this issue.

The second point is, disinvestment is another area which can bring down the deficiencies. It should be done because it can bring in money. I would like to know from the hon. Minister of Finance whether he is changing the policy or whether he is going ahead.

I would also like to know whether he is allowing the public sector to go in for modernisation and maintaining it and also allowing it to go into the international market like GDR whereby they will not be able to tax the internal resources. The money is coming, because India is now in a position to go to the international market because of the liberalisation policy.

SHRI NIRMAL KANTI CHATTERJEE : It is a wrong policy.

SHRI SONTOSH MOHAN DEV : It is not a wrong policy. It is a correct policy. You have also accepted it in West Bengal, you are opposing it only here.

SHRI P. CHIDAMBARAM : Sir, there are really two questions. To the first question, my answer is that if there is any particular department where there is a problem, certainly we shall look into it. Again speaking from memory, I know that the Ministry of Information and Broadcasting has added a large number of jobs in the last couple of years, so has the Department of Telecommunications. But if there is any problem in any particular area or a particular State where that Ministry has a function, I am willing to look into it.

Sir, the second question is really a policy question and it will not be right for me to respond to a policy question in a Question-Answer Session. Our policy on disinvestment is contained in the Common Minimum Programme. We have not yet taken a decision or announced it. It is under active consideration. Disinvestment is an important strategy. But what we will do, how we will do, we will have to await a decision by the Cabinet.

Our Common Minimum Programme emphasizes that all decisions relating to disinvestment will be taken in a transparent manner and monies raised through disinvestment will be allocated for health and education and for strengthening public sector enterprises. So, I do not think anyone in the 13-Party Front is opposed to disinvestment as such. What they want to ensure is that disinvestment takes place in a transparent manner and the monies are used for health, education and strengthening public sector enterprises.

DR. MURLI MANOHAR JOSHI : Are you going to appoint a Disinvestment Commission?

SHRI P. CHIDAMBARAM : It is under consideration.

Idle Workers of NTC

*143. SHRI B.L. SHARMA (PREM) : Will the Minister of TEXTILES be pleased to state :

(a) whether due to non-availability of working capital funds, the activities in the National Textile Corporation mills, particularly in Mumbai have been restricted to mostly on job work conversion and hardly any cloth is being produced there;

(b) whether workers of the NTC mills in Mumbai and other parts of the country are being paid idle wages and also the wages are not being paid in time;

(c) if so, the total number of idle workers, as on date, in these mills, State-wise; and

(d) the steps taken or being taken by the Government to make available working capital funds to the NTC mills so as to enable these mills to carry on their activities and engage workers on productive jobs?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) to (d). A statement is laid on the Table of the House.

STATEMENT

(a) to (c) On account of obsolete machinery due to lack of modernisation and acute shortage of working capital, there is under utilisation of capacity in NTC mills leading to fall in the production of cloth. Many mills including those located in Maharashtra have taken up job work for generation of internal resources. However, budgetary support is being provided by the Central Government to such mills affected by partial/complete cessation of activities for meeting the shortfall in payment of salaries and wages. The wages and salaries have been paid up to the month of May, 1996. While payment for the month of June, 1996 is in progress. A Statement indicating the present number of idle workers statewide is attached as Annexure.

(d) On account of continuous losses suffered by NTC mills and total net worth erosion, 8 out of 9 Subsidiary Corporations have been referred to BIFR which has declared them to be sick Industrial Companies. Government has approved a revised Turn Around Plan in 1995 for NTC mills, involving modernisation of 79 mills at a cost of Rs 2005.72 crores, restructuring of 36 unviable mills into 18 viable units, rationalisation of surplus workforce, etc. This plan is generally in line with the modernisation plans prepared by the Textile Research Associations. The funds for modernisation will be raised from sale of surplus lands and assets of NTC mills. The plan has been placed before the BIFR for their approval before implementation. Meanwhile to avoid any hardship to the workers, Government is meeting the shortfall faced by NTC mills in payment of wages and salaries.

ANNEXURE

Name of the State	No. of Idle workers
1	2
Delhi	737
Rajasthan	1586
Punjab	999

1	2
Madhya Pradesh	6011
Uttar Pradesh	11004
Maharashtra	24011
Gujarat	7906
Andhra Pradesh	2287
Karnataka	3797
West Bengal	4964
Assam	390
Orissa	465
Bihar	742

[Translation]

SHRI B.L. SHARMA 'PREM' : The Hon'ble Minister has given a very detailed statement wherein he has stated that the wages and salaries have been paid up to May, 1996. I would like to know as to when dues of the workers for the months of June and July 1996 would be paid to them. Besides, what is the total amount of loss suffered by NTC mills in 1995-96? This is my first supplementary question.

[English]

SHRI R.L. JALAPPA : Sir, it is disheartening to note that the total loss of the NTC. (Interruptions) Sir, the working capital of the NTC is only Rs. 512 crore. The total loss as on 31.1.1996 is Rs. 4,678 crore. (Interruptions) I am also agitated like you. I am not happy and something has to be done to put an end to these things. Out of my Budget of Rs. 800 crore, I am spending nearly Rs. 350 crore over these things. Only a small thing is left for other sectors like handlooms and powerlooms. By 2005, we are going to have de-control of all these things under GATT. So if our industries are not geared up to face global competition, I do not think that we will be getting so much of foreign exchange which we are now getting.

SHRI B.L. SHARMA 'PREM' : Sir, my second question has not been replied. When are you going to pay the dues of the workers for the months of June and July, 1996?

SHRI R.L. JALAPPA : Sir, They will be paid as early as possible. We are spending Rs. 235 crore every year towards payment of idle wages. We have already given wages up to May, 1996. As regards payment of June and July, we will arrange it as early as possible. We have already requested the Ministry of Finance to release more funds.

[Translation]

DR. SATYA NARAYAN JATIA : Mr. Deputy Speaker, Sir, Government has found in BIFR a convenient alibi to close down mills. As a result, textile mills in the country are being continuously closed and textile workers are being thrown out of employment in large numbers.

The workers of the textile mills in Ujjain are also being rendered jobless. I would like to know whether government propose to revive these mills by mobilising funds from the properties of these mills through BIFR. Government has been giving assurance to this effect since 1995 but nothing has been done so far in the matter. I would like to know from the Hon'ble Minister whether he has drawn up any time-bound programme for running these textile mills including those of the NTC.

[English]

SHRI R.L. JALAPPA : Sir, there was a tripartite agreement in 1994. As per that agreement, it was decided to spend Rs. 2005 crore over modernisation. It was also decided that funds will be generated by selling excess properties which are available in the country.

That proposal is before the Government and I am examining it. I assure this House that, as early as possible, I want to settle this issue.

MR. DEPUTY SPEAKER : What is the possibility? You are repeating it for the second time.

SHRI R.L. JALAPPA : I am examining it.

SHRI B.K. GADHVI : Sir, Ahmedabad was once upon a time called the Manchester of India. Now, a large number of mills have gone sick and they are closed. Some mills belong to NTC and some belong to the Gujarat Textile Corporation. BIFR was brought with a view to revive those sick industries and put them back on health. But unfortunately, because of the obstinacy of the financial institutions, the packages which are formulated in respect of all those cases which went to BIFR are not being implemented. Consequently, the mills are being closed; even the State Textile Corporation mills are being closed and NTC is also thinking of closure.

If this is the situation, then the Government has guaranteed in their Common Minimum Programme that they would be open up new avenues for employment. Employment which is presently in existence is being blocked, stopped and obliterated from the scene. Then, how would they implement the Common Minimum Programme wherein they have given the assurance for providing employment? Therefore, since the hon. Finance Minister is also sitting here, I would like to know whether the Government of India would instruct the financial institutions like IDBI and other institutions to give a proper response and to adopt a positive approach to the packages which are being formulated by the BIFR and within what time frame.

SHRI R.L. JALAPPA : As far as the Gujarat State Textile Corporation is concerned, I am given to understand that already the BIFR has passed the orders for liquidation and it is in the High Court. As far as the NTC mills are concerned, it is going to be taken up in the month of October. (Interruptions) Let me answer the question. It is before the BIFR and they may take it up in the month of October.

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Deputy Speaker, Sir, I would like to inform the Hon'ble Minister that in Madhya Pradesh, seven mills of the NTC and some other textile mills have been lying closed. About these mills, proposals for the implementation of a nationalisation scheme have been sent to the Central Government by the Madhya Pradesh Government, BIFR and NTC. The Central Government have started considering them under the revised Turn Around Plan. May I know from the Hon'ble Minister the names of these textile mills which have been chosen for being considered under the nationalisation scheme and what steps Government propose to take for the payment of the dues, including the benefits of Provident Fund of those workers of these mills, who are at present sitting idle?

[English]

SHRI R.L. JALAPPA : Sir, I am not having any information here about the names of Madhya Pradesh mills which were referred to BIFR.

[Translation]

SHRI THAWAR CHAND GEHLOT : Sir, these names are included in the list that he has furnished ... (Interruptions)

[English]

MR. DEPUTY SPEAKER : The Hon. Member says that the names are in the list.

[Translation]

SHRI THAWAR CHAND GEHLOT : The list of the workers of Madhya Pradesh has been given and the Central Government are considering cases under the Turn Round Plan. I would like to know the number of mills of Madhya Pradesh whose cases are being considered under the Turn Around Plan? ... (Interruptions)

JUSTICE GUMAN MAL LODHA : This question is over, Mr. Deputy Speaker, Sir, take the next one now. Five thousand workers are jobless... (Interruptions)

[English]

MR. DEPUTY SPEAKER : Have you got anything to say?

[Translation]

JUSTICE GUMAN MAL LODHA : He is not giving complete information. We want him to give complete information and that too promptly... (Interruptions)

[English]

MR. DEPUTY SPEAKER : Let him first reply to it.

SHRI R.L. JALAPPA : As far as Madhya Pradesh is concerned, about seven mills have been referred to BIFR.

[Translation]

JUSTICE GUMAN MAL LODHA : Five Thousand workers are jobless. The strike is going on ... (Interruptions)

MR. DEPUTY SPEAKER : I would request that one should come to the House after doing a little bit of homework. Shri P.R. Dasmunshi.

(Interruptions)

[English]

MR. DEPUTY SPEAKER : Let the hon. Member put the question first.

(Interruptions)

MR. DEPUTY SPEAKER : Let the hon. Member ask the question. Please sit down.

(Interruptions)

MR. DEPUTY SPEAKER : Please sit down. Let him ask the question.

SHRI P.R. DASMUNSI : I want to know from the hon. Minister whether it is a fact... (Interruptions)

[Translation]

I am on my legs. Why are you speaking? It is question hour and not zero hour... (Interruptions)

SHRI PRABHU DAYAL KATHERIA : He should come to the House after doing home-work. Now he is saying that this would not help.

MR. DEPUTY SPEAKER : Please let him give the reply.

(Interruptions)

[English]

SHRI P.R. DASMUNSI : I want to know from the hon. Minister whether it is a fact that Government of India headed by the late Shrimati Indira Gandhi and up to Shri Rajiv Gandhi made it a mandatory policy that all the *janata* cloth should be compulsorily manufactured by NTC and necessary support for the working capital in this regard including the modernisation package should be offered to NTC. In spite of that, it has not been done. That is number one.

The workers are not at fault. It is published in the newspapers also that the idle workers are not at fault. The raw materials are stolen in connivance with some senior top people of the mills from the largest mills in my constituency. I know it. They are made over deliberately to the sick mills. I want to know from the hon. Minister whether the Government will have in their Common Minimum Programme the provision to provide some kind of *janata* cloth to the people and make the NTC mills active by giving the necessary funds to further modernise and revive the mills once again. This is my submission... (Interruptions)

SHRI R.L. JALAPPA : Let me answer the question. This is a specific question. Some hon. Member was advising me to do my homework and come here. I thank him for the advice...*(Interruptions)*

MR. DEPUTY SPEAKER : Please sit down. Let the hon. Minister give his reply to the question.

(Interruptions)

SHRI R.L. JALAPPA : I thank the hon. Member for the suggestion. What is it that they want? Do they want me to reply or not?

[Translation]

SHRI RAM KRIPAL YADAV : You please listen.

SHRI MADHUKAR SARPOTDAR : I will listen only when you allow to give reply...*(Interruptions)*

MR. DEPUTY SPEAKER : The hon. Minister has not been able to give his reply properly. He should come after doing his home-work. I shall allow Half-an-hour discussion.

(Interruptions)

[English]

MR. DEPUTY SPEAKER : Please come prepared.

(Interruptions)

[Translation]

SHRI KASHIRAM RANA : Mr. Deputy Speaker, Sir, this question has not been replied. Therefore, please allow half-an-hour discussion.

[English]

SHRI R.L. JALAPPA : All right. I have no objection.

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Debt Servicing

*144. SHRI RAMESHWAR PATIDAR :

SHRI PRAMOD MAHAJAN :

Will the Minister of FINANCE be pleased to state :

(a) whether during the current financial year approximately 30% of the debt is likely to be spent to meet debt servicing liabilities;

(b) if so, the details thereof, and

(c) the steps taken by the Government to reduce the debt burden?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). No, Sir. External debt service is estimated to go up to about US \$ 14.5 billion in 1996-97 from US \$ 12.6

billion in 1995-96. A precise projection of debt service is rendered difficult by movements in the cross rates between various currencies in which India's debt is denominated as well as by fluctuations in interest rates applicable to various loans. India's foreign debt was estimated to be US \$ 93.8 billion at end September 1995.

(c) A prudent debt management policy is being pursued to contain the growth of external debt and debt-service. As per World Bank classification, India is a moderately indebted country. Sustaining a high rate of growth of exports, encouraging non-debt creating capital inflows and keeping the maturity structure as well as the total amount of commercial debt under control are the major planks of our debt management policy.

[English]

Devaluation of Rupee

*145. SHRI JAGAT VIR SINGH DRONA : Will the Minister of FINANCE be pleased to state :

(a) whether there was 17% devaluation of rupee during the last one year.

(b) if so, the reasons therefor.

(c) the steps being taken to stop the devaluation of Rupee;

(d) the loss suffered by the Government due to this devaluation of rupee so far, and

(e) the steps taken or proposed to be taken to balance the loss incurred so far?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The average exchange rate of the rupee for June 1996, compared to the corresponding average in June 1995, marked a depreciation of 10.2% against the US dollar, 7.2% against the Pound Sterling, 2.1% against the Deutsche Mark and 5.4% against the French Franc. However, over the same period, the rupee appreciated by 15.6% vis-a-vis the Japanese Yen.

(b) The exchange rate of the rupee is determined by the market forces of demand and supply. Under this system, the exchange rate moves in both directions in response to changes in underlying economic fundamentals, short term speculation and developments in the international currency markets.

(c) The exchange rate developments are monitored continuously both by the Government and the Reserve Bank of India. Measures are taken, as and when necessary, to maintain orderly market conditions as well as to ensure that the exchange rate of the rupee remains consistent with economic fundamentals.

(d) and (e). The development in the nominal exchange rate of the rupee during the past one year was a market correction for the appreciation of the rupee.

in real terms, which had occurred because of the inflation differential between India and abroad in the previous couple of years. Thus, the overall movement in the nominal exchange rate of the rupee is broadly consistent with restoring India's competitiveness abroad. This will support export promotion and import substitution activities, and will improve the foreign trade balance and the overall balance of payments. The overall movement is also consistent with the longer term objective of viable balance of payments based on strong competitiveness

Trade Deficit

*146. SHRI DATTA MEGHE :
DR RAMKRISHNA KUSMARIA :

Will the Minister of COMMERCE be pleased to state :

(a) the details of trade deficit of the country during 1993-94, 1994-95 and 1995-96.

(b) whether there has been increase in trade deficit during the above period.

(c) if so, the reasons therefor; and

(d) the action proposed to be taken by the Government to improve the position in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). As per available data from DGCI & S, the trade deficit of the country during 1993-94, 1994-95 and 1995-96 (Provisional) are US \$ 1069 million, US \$ 2324 million and US \$ 4539 million respectively.

(c) The trade deficit has risen mainly due to increase in imports of essential commodities like petroleum and fertilisers, items of mass consumption like edible oil and higher imports of capital goods, raw materials and intermediate goods required for accelerated industrial production and Exports.

(d) The key to narrowing trade deficit lies in accelerated export growth. Export Promotion measures are continuously being taken by the Government through policy and promotional schemes, measures taken to promote exports include simplification of export-import policy and procedures, improving efficiency & competitiveness, focussing on quality and technology upgradation and efforts to actively involve the State

Governments in export promotion. Export promotion is a continuing activity based on interactions with industry, trade and other export promotional institutions.

Expenditure on Candidates for Election

*147. SHRI MADHAVRAO SCINDIA : Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government are aware that a large number of independent candidates are fighting elections to certain Assembly and Parliamentary seats;

(b) if so, whether there is any proposal to curb the uncalled expenditure on their security and other administrative expenditure and to obviate the difficulties of the electorate; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) Yes, Sir.

(b) and (c) Government is considering various measures to discourage non-serious candidates from contesting elections. These, amongst others, include increase in the security deposit, increase in the minimum percentage of votes required to be polled to save forfeiture of security deposits and listing of names in the ballot paper of candidates of recognised political parties above the names of independent candidates.

Economic Policy

*148. SHRI PR DASMUNSI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government's liberal economic policy has hit the PSUs growth and competitive skill, and

(b) if so, what steps Govt. has taken or propose to take to make the PSUs more competitive and stronger?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P CHIDAMBARAM) : (a) Trends in key parameters reflecting the growth of Central Public Sector Enterprises (PSEs) from 1990-91 to 1993-94 (the latest year for which the information are available) as given below indicate that the performance of PSEs has improved to some extent since the new Industrial Policy was initiated in July, 1991 :

Trends of Key Economic Parameters of Central Public Sector Enterprises from 1990-91 to 1993-94.

Indicators	1990-91	1991-92	1992-93	1993-94
1	2	3	4	5
1. Number of operating Enterprises	236	237	239	240
2. Capital employed (CE) (Rs. crores)	102084	117991	140110	159307

	1	2	3	4	5
3. Profitability ratios :					
(a) Gross margin to CE (%)		17.94	18.83	18.01	17.33
(b) Gross profits to CE (%)		10.88	11.59	11.39	11.57
(c) Net profits to CE (%)		2.23	2.00	2.33	2.78
4. Value of exports (Rs. crores)		7086	8980	10338	11936
5. Value added (Rs. crores)		31922	35213	38509	41466

(b) Several steps have been taken by the Government to improve efficiency of Public Sector Undertakings (PSUs) including strengthening the Memorandum of Understanding (MOUs) with public sector enterprises, delegation of more powers to the Board of Directors, allowing PSUs to form joint ventures and the raise fresh equity from the market, disinvestment of Government equity in selected PSUs, reference of sick companies to the Board for Industrial and Financial Reconstruction (BIFR), establishment of National Renewable Fund (NRF) to facilitate training and redeployment of workers and to finance voluntary retirement scheme (VRS).

[Translation]

Capital Investment in Public Sector

*149. JUSTICE GUMAN MAL LODHA. Will the Minister of INDUSTRY be pleased to state

(a) the number of industrial units being run in the public sector at the end of 1991-92 and 1995-96;

(b) the amount of capital investment made in these units during 1991-92 and 1995-96;

(c) the number of workers working in these units year-wise during the above years separately;

(d) whether the amount of losses in these units has also increased during the last three years and

(e) if so, the extent of increase in losses suffered during 1995-96 as compared to 1993-94?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN). (a) to (c) Details showing the number of Central PSUs, capital investment and number of employees in them at the end of 1991-92 and 1993-94, upto which period only information is available, is given below :

	No of Central PSUs	Investment by way of equity & loan (Rs. in crores)	No of regular employees (in lakhs)
At the end of 1991-92	246	135445	21.84
At the end of 1993-94	246	164332	20.69

(d) and (e). Out of the 246 PSEs during 1991-92, 102 PSEs incurred loss of Rs. 3723 crores and during 1993-94, 117 PSEs incurred loss of Rs. 5287 crores. However all PSEs taken together earned overall profit of Rs. 2355 crores in 1991-92 and Rs. 4435 crores in 1993-94.

[English]

Income Tax due against Foreign Banks

*150. SHRI DADA BABURAO PARANJPE. Will the Minister of FINANCE be pleased to state

(a) the names of the foreign banks in India which are defaulters in payment of income tax as on date;

(b) the amount due against each of the banks and

(c) the steps taken by Government so far to recover the said amount?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM). (a) and (b) The names of foreign banks against whom Income-tax demand remained outstanding as on 1-7-1996 are as under :-

S No.	Name of the Foreign Bank	Amount Outstanding as on 1-7-1996 (Rs. in crores)
1	2	3
1.	Deutsche Bank	29.42
2.	Credit Lyonnais	00.30
3.	Hong Kong & Shanghai Bank	6.05
4.	Bank of Bahrain & Kuwait	1.25
5.	Oman International Bank	42.10
6.	Standard Chartered Bank	8.98
7.	Banque Indosuez	12.15
8.	Banque National De Paris	164.19
9.	Mashreq Bank (Bank of Oman)	0.70
10.	Abu Dhabi Commercial Bank	2.50
11.	Societe Generale	0.28
12.	American Express Bank	6.99

1	2	3
13.	Bank of Nova Scotia	5.44
14.	Barclays Bank	0.82
15.	Dresdner Bank	0.01
16.	ANZ Grindlays Banks	28.88
17.	Bank of Tokyo	31.3.1996

(c) High priority is given to the work of collection/reduction of arrear demand and appropriate administrative, legal and other measures are taken to recover the same. Request is made to the concerned appellate authorities for early disposal of cases. Wherever the recovery proceedings are stayed by the Courts, steps are initiated to get the stay vacated. Coercive measures are also taken in suitable cases for speedy recovery of demand. In bigger cases, the dossiers are maintained and the recovery position is reviewed regularly.

[Translation]

Jute Mills

*151. SHRI RAJESH RANJAN Alias PAPPU
YADAV :
SHRI HANNAN MOLLAH :

Will the Minister of TEXTILES be pleased to state:

(a) whether many jute mills in the country, particular in Bihar and West Bengal are lying closed for a long time or are on the verge of closure;

(b) if so, the reason for their closure; and

(c) the steps being taken by the Govt. to revive these mills?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) Out of 73 mills in the country the following three jute mills are lying closed for more than one year :

Name of the Jute mills	State	Date of closure	Average workers affected
1. Kanpur	U.P.	13.04.87	1040
2. Katihar	Bihar	24.12.87	1300
3. Tirupati	W.B.	25.06.95	1250

The total number of mills lying closed as on 15.7.96 is 17.

(b) Among the various factors contributing to the closure or sickness in jute units are lack of modernisation, imbalance in cost price structure, inadequate availability and high price of raw jute, stiff competition from cheaper synthetic substitute in packaging sector, etc.

(c) Government has set up BIFR to enquire into working of Sick Industrial Companies and to prepare and sanction, as appropriate schemes for their revival.

Under the Industrial Disputes Act, resolution of industrial disputes is handled by the State Government, who initiate conciliation proceedings with the management.

Meanwhile, adequate orders for B. Twill bags at cost plus prices have been ensured by the Central Government by advancing such purchases during current plan period, so as to sustain viability of mills to the extent possible

[English]

Bank Scam in Payment for Imports

*152. SHRI RAJIV PRATAP RUDY :
SHRI BANWARI LAL PUROHIT :

Will the Minister of FINANCE be pleased to state

(a) whether the attention of the Government has been drawn to a news item appearing in 'Hindustan Times' dated May 25, 1996 under the caption "\$ 165m Bank Scam Unearthed";

(b) if so, the extent of Indian Foreign Exchange siphoned through fictitious accounts in foreign banks;

(c) whether the nationalised Indian banks colluded to facilitate illegal transfer of foreign exchange; and

(d) if so, the details thereof and the action taken by the Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) Yes, Sir

(b) and (c) Investigations conducted by Enforcement Directorate have revealed that foreign exchange to the tune of approximately US \$ 161 million (Rs. 546 crores approx.) was remitted abroad on the basis of forged/bogus import documents through fictitious accounts. These remittances were facilitated on account of alleged collusion of bank employees in some cases and alleged ignorance of bank staff and their inability to detect the fake documents, in other cases.

(d) Four of the bank employees (including an ex-employee) were arrested by the Enforcement Directorate for their suspected involvement in the racket. Various aspects relating to import bills were examined by the Reserve Bank of India and a circular prescribing specific operating procedure to prevent recurrence of such fraudulent transactions has been issued to banks. The banks have also been advised to take appropriate action against officials found involved/suspected in these frauds

Infrastructural Facilities to Courts

*153. SHRI MOHAN RAWALE :

SHRI MULLAPPALLY RAMACHANDRAN :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the details of proposals and financial requirement received from various State Governments under the Centrally sponsored scheme for developing infrastructural facilities of capital nature for Judiciary, State-wise;

(b) the total amount released and spent by each State during each of the last three years, State-wise, and

(c) the details of the time bound programme to release the remaining amount?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c). A Centrally Sponsored Scheme

relating to infrastructural facilities for the Judiciary was introduced in 1993-94. The scheme has to be implemented by the State Govts. in consultation with their respective High Courts. The Planning Commission, at the time of annual plan discussions, earmarks a given amount for the scheme every year. Hence, it is not possible to give in a time-bound programme the amount that will be released under the scheme in subsequent years. The scheme as approved by the Planning Commission covers the 8th Five Year Plan. The amount received from the Planning Commission is allocated to the different States/UTs on the basis of the criterion laid down for this purpose by the Planning Commission which constitutes the ceiling for the allocation of Central Funds to a particular State. One of the main criteria of the scheme is that the State Govt. must come forward with a matching share to the amount allocated by the Central Government. The details of the amount released under the scheme during 1993-94, 1994-95 and the amount spent by the State Govt. are given in the enclosed Statement. During the current financial year 1996-97, an amount of Rs. 49.41 crores has been provided for this scheme.

	1	2	3	4	5	6	7	8	9	10	11
23. Tripura	20.00	34.00	34.00	34.00	34.00	88.00	176.00		102.71 (including 93-94)	Awaited	102.71 (till 3/95)
24. West Bengal	288.60	243.00	243.00	Nil	531.60	1063.20		-	63.01	381.19	444.20
25. Uttar Pradesh	430.50	841.28	841.28	892.87	2164.65	4329.30		863.49	1682.56	1723.48	4269.51
UNION TERRITORIES											
1. A & N Islands	15.00	25.00	25.00	25.00	65.00	65.00		-	-	14.59	14.59
2. Chandigarh	15.00	25.00	25.00	125.00	165.00	165.00		-		62.11	62.11
3. Delhi	200.00	335.00	335.00	333.00	868.00	868.00	647.48	378.44		277.29	1303.21
4. Daman & Diu	15.00	14.00	14.00	8.00	37.00	37.00		-	-	5.00	5.00
5. Dadra & Nagar Haveli	15.00	7.00	7.00	8.00	30.00	30.00		-	-	17.69	17.69
6. Lakshdweep	15.00	7.00	7.00	15.00	37.00	37.00		-	-	6.48	6.48
7. Pondicherry	20.00	34.00	34.00	34.00	88.00	88.00		-	9.52	27.48	37.00

Garment Export Duty

*154. SHRI DHIRENDRA AGARWAL :
SHRI AMAR PAL SINGH :

Will the Minister of TEXTILES be pleased to state:

(a) the criteria laid down for granting of garment export quota under the new Investment Entitlement Scheme;

(b) whether the Government have received any complaint regarding irregularities in granting of garment export quota under the Scheme;

(c) if so, the details thereof; and

(d) the action taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) The criteria laid down for granting of garment export entitlements (quotas) under the New Investors' Entitlement (NIE) System are as follows :

- (i) An exporter should be registered with the Apparel Export Promotion Council (AEPC), as manufacturer exporter.
- (ii) An exporter should have invested a minimum amount of Rs. 50 lakhs in new machinery (from an approved list of machinery) either in an existing unit or in a new unit during a period of 12 consecutive months commencing not earlier than the first of January of the previous calendar year. However for the allotment year 1996, any 12 month period commencing from 1st September, 1994 would apply.
- (iii) NIE allotments are made only once for a particular block of investments.
- (iv) NIE allotments are made at the rate of 1000 pieces of export entitlement (quotas) for every Rs. 1 lac of admissible investment. Investments in fractions of Rs. one lac are not taken into account.
- (v) The quantity for which a given applicant is eligible is divided equally in at least 5 country-categories to be opted for by the applicant. That is for every country-category, the maximum export entitlement (quota) is 200 pieces for every Rs. 1 lac of admissible investment. However, in case an exporter is constrained to opt for less than 5 country-categories, because his items of production do not cover 5 country-categories, the total quantity allotted to him is restricted to his choice of country-categories multiplied by 200 pieces for every Rs. 1 lac of admissible investment. In case an exporter opts for more than 5 country-categories, his NIE allotment

is distributed equally among the different country-categories subject to the ceiling of 1000 pieces for every Rs. 1 lac of admissible investment.

- (vi) Applicants who are not allocated NI entitlements in full or in part in any particular country-category during 1996 for which they have been otherwise held eligible because of the non-availability of NIE levels during 1996, can opt for either (i) fresh country-categories in place of the country-categories in their original application in which they could not get entitlements either in full or in part in 1996 or, (ii) NI entitlements in 1997 in the same country-category, in which they could not get NI entitlements during 1996.

(b) No, Sir.

(c) and (d). Do not arise.

Expansion of Trade with Pakistan

*155. SHRI S.D.N.R. WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have any proposal to expand Indo-Pak trade;

(b) if so, the details of areas identified thereof;

(c) whether any negotiation has been made by Pakistan with the Union Government and vice-versa in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Trade between India and Pakistan is hampered by Pakistan Government's restrictive policy on imports from India. While India extends Most Favoured Nation (MFN) status to Pakistan under GATT Rules, Pakistan has not accorded Most-Favoured Nation status to India in contravention of its GATT/WTO obligations; instead it currently allows imports from India only against a unilateral list of 573 items covering about 800 tariff lines at 6 digit level against a total of 5400 tariff lines as per the Harmonised system of International Classification. The Government of India have made a formal demarche to the Pakistan Government about extension of MFN status to India, response to which is awaited. Expansion of Indo-Pak trade will hinge mainly upon Pakistan's willingness to allow imports from India on MFN basis, whereafter other bilateral trade matters can be taken up for discussion between the two sides.

(c) No, Sir.

(d) Does not arise.

Bogus Agricultural Income

*156. SHRI RADHA MOHAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government's attention has been drawn to the Modus operandi of inclusion of bogus agricultural income in total taxable income by numerous persons involving evasion of tax to the tune of crores of rupees; and

(b) if so, the action taken by the Government in regard thereto?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Income-tax Department has unearthed a well organised racket involving unscrupulous assesseees and Chartered Accountants in this connection

(b) Appropriate actions under the Income-tax Act have been taken as enumerated below :-

- (i) Intensive investigation including survey and search operations have been carried out all over the country by the Investigation Directorates of the Department and the results of investigations have been communicated to the concerned Assessing Officers for necessary action.
- (ii) As a result of these investigations, some assesseees have admitted and surrendered bogus agricultural income and also paid taxes thereon.
- (iii) Some cases have been centralised for detailed and co-ordinated follow up.
- (iv) Direction have been issued to the investigating authorities to take action against the Chartered Accountants found to be involved in this racket.

[Translation]

Incentive to Small Investors in National Saving Schemes

*157 SHRI KASHI RAM RANA
SHRI DILEEP SANGHANI :

Will the Minister of FINANCE be pleased to state :

(a) whether various State Governments offered incentives to small investors in various schemes under the National Saving Schemes of the Union Government.

(b) if so, the amount collected by each State under the said schemes during the year 1995-96 and the amount of incentive spent by each State in this regard?

(c) the percentage of share of collection allowed to be retained by the States under the scheme, and

(d) the purpose on which the amount is utilised by the State Government?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir

(b) The amount deposited in the post offices under various Small Saving Schemes, State-wise, during 1995-96 (Preliminary) is indicated in the enclosed statement. Some States give various types of incentives to the investors and the agents. Details of amount of expenditure on incentives given by the State Governments are not available with Government of India.

(c) and (d) 75% of the Net Small Saving Collections in a State is advanced as long term loan to that State for financing the State Plan

STATEMENT

State-wise Gross Small Savings Collections in Post Offices during 1995-96 (Prelim).

	Name of State	(Rs. in Crores)
1	Andhra Pradesh	1964.98
2	Arunachal Pradesh	10.55
3	Assam	656.02
4	Bihar	1883.88
5	Goa	69.70
6	Gujarat	2848.48
7	Haryana	960.50
8	Himachal Pradesh	527.42
9	J & K	277.28
10	Karnataka	1355.42
11	Kerala	929.30
12	Madhya Pradesh	1212.63
13	Maharashtra	3413.12
14	Manipur	22.32
15	Meghalaya	35.66
16	Mizoram	15.97
17	Nagaland	8.79
18	Orissa	691.80
19	Punjab	1397.97
20	Rajasthan	1461.73
21	Sikkim	8.54
22	Tamil Nadu	1917.76
23	Tripura	94.47
24	Uttar Pradesh	4722.38
25	West Bengal	4259.47

[English]

IMF/WB Loan**Small Scale Industrial Units**

*158. SHRI K. PRADHANI : Will the Minister of INDUSTRY be pleased to state :

(a) whether small scale industrial units contribute as much as 30 percent of the country's exports:

(b) whether large scale industrial units are allowed to borrow upto 19 percent of their turnover, whereas SSI units get 8 percent;

(c) whether the Government propose to remove this discrepancy to liberalise the flow of credit to SSI units; and

(d) if so, by when and if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. The direct exports from the small scale industries during the year 1994-95 aggregated Rs. 29068 crores accounting for 35.51% of the country's total exports of Rs. 82674 crores.

(b) The Nayak Committee set up by the Reserve Bank of India in December, 1991 to examine the adequacy of institutional credit to the SSI sector and related aspects, while reviewing the profile of working capital adequacy for SSIs had inferred on the basis of available data as at March, 1990 that the ratio of bank financing of working capital to total production in respect of medium and large industries was about 19.4% and the similar ratio for SSI sector as a whole was 8.1%.

(c) To liberalise the flow of credit to SSI units, Reserve Bank of India have instructed banks that henceforth village industries, tiny industries and other SSI units having aggregate fund-based working capital limits upto Rs. 1 crore from the banking system are to be provided working capital limits computed on the basis of a minimum of 20% of their projected annual turnover. Banks have also been advised to adopt the extant Government of India definition of small scale industries for the purpose of reckoning bank advances to SSI units under priority sector.

To further increase the flow of bank credit to small scale sector, a 7-Point Action Plan was announced in 1995-96 budget which emphasized on time bound action for setting up specialised bank branches, adequate delegation of powers at branch and regional levels, examining the adequacy of credit to their performing SSI units through sample surveys, taking steps to sanction as far as possible composite loans (covering both term loan and working capital) to SSI entrepreneurs, regular meetings of bank officials with SSI entrepreneurs, sensitizing bank managers etc.

(d) Does not arise.

*159. SHRI SOUMYA RANJAN : Will the Minister of FINANCE be pleased to state :

(a) the various loans received by the Union Government from the International Monetary Fund (IMF) and the World Bank during the last three years with terms and conditions thereof; and

(b) the principal amount and interest repaid so far?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The total inflow of loan/credit assistance received for on-going projects from the World Bank and IMF by the Union Government during the last three years is given below :

	1993-94	1994-95	1995-96
IBRD (in US \$ million)	907	556	454
IDA (in US \$ million)	668	1004	741
IMF (in SDR million)	231	Nil	Nil

The total amount of loan/credit assistance tied up on new projects with World Bank and IMF by the Union Government during the last three years is given below:-

	1993-94	1994-95	1995-96
IBRD (in US \$ million)	-	350	413
IDA (in US \$ million)	711	977	926
IMF (in SDR million)	Nil	Nil	Nil

IBRD (International Bank for Reconstruction and Development) is the normal lending arm of the World Bank. The terms and conditions of IBRD lending include a repayment period of 20 years inclusive of a grace period of 5 years. The interest rate is variable and revised semi-annually and at present it is around 7.1% per annum. The commitment charge on the undisbursed balance is 0.75% per annum. For the last six years, World Bank has been giving a rebate of 0.5% due to timely repayments and therefore Government has paid only 0.25% per annum as commitment charge.

IDA (International Development Association) is the concessional lending window of the World Bank. The terms and conditions of IDA assistance, known as Credit, include a repayment period of 35 years, inclusive of a grace period of 10 years. IDA credits carry no interest charge but a service charge of 0.75% which is levied on the disbursed portion of the credit. Commitment charges on undisbursed balances are fixed every year upto a maximum of 0.5% but for the last eight years no commitment charge has been levied by the World Bank due to timely repayments.

The loan drawn from IMF is payable in 3½ to 5 years. Interest, known as charges is payable on

outstanding loan and the current rate of charge is 4.27% per annum.

(b) The details of principal amount and interest repaid to the World Bank and IMF are given below:

	1993-94		1994-95		1995-96	
	Repay.	Int.	Repay.	Int.	Repay.	Int.
IBRD (in US \$ m.)	709	620	757	646	815	631
IDA (in US \$ m.)	175	115	194	122	228	131
IMF (in SDR m.)	96	182	805	153	1138	107

Jute Packaging Materials

*160. SHRI RUPCHAND PAL : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government are aware of recent Supreme Court's judgement in favour of compulsory jute packaging by concerned industries including Fertilizer and Cement industries; and

(b) if so, the steps the Government propose to take to ensure that all concerned industries to comply with the above judgement?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). In a recent judgement dated 25.4.96, the Supreme Court has upheld the constitutional validity of the jute packaging materials (Compulsory Use in Packing Commodities) Act, 1987. Subsequent to the decision of the Supreme Court, the Standing Advisory Committee set up under the said Act has met to give appropriate recommendations. Concerned industry interests have also been given full hearing. Meanwhile, in respect of packaging of urea, for which the earlier Reservation Order was valid up to 30.6.96, the provisions of the order have been extended up to 30.9.96. For other commodities covered in the Order, there is no change in the percentage of reservation, as at present.

Intellectual Property Rights Agreement with W.T.O.

1080. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government of USA has decided to keep India on a priority watchlist under special trade provisions especially when both the countries were signatories to the trade related aspects of intellectual property rights (TRIPS) agreement of the World Trade Organisation;

(b) whether the U.S. is hauling India before a World Trade Organisation arbitration panel in Geneva over New Delhi's failure to provide patent protection for pharmaceutical and agricultural chemical products; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Yes, Sir.

(b) and (c). On 2 July 1996, the US has sought consultations with India in the matter of Intellectual Property Rights under the Dispute Settlement Understanding of the World Trade Organization. India will be holding consultations with US for the resolution of this dispute.

Funds for Handicrafts

1081. SHRI RAMCHANDRA VEERAPPA : Will the Minister of TEXTILES be pleased to state :

(a) whether Karnataka Handicraft Development Corporation has submitted any proposal for financial assistance for the works, like woodcraft, bronze craft, hand painting, carpet weaving, clay sculpture and bamboo craft; and

(b) if so, the action taken by the Union Government thereon?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). The information is being collected and will be laid on the Table of the House.

Capital Mobilisation for PSEs

1082. SHRI SANDIPAN THORAT : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are working on a new resource mobilisation strategy from the capital market for the Central Public Sector Enterprises (PSEs) to mop up the larger funds required to finance its modernisation and expansion programme;

(b) if so, the details thereof; and

(c) the details of requirement of funds for modernisation/expansion/diversification public sector undertaking wise for the next three years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). The Central PSUs like any other commercial organisations are permitted to mop up funds required to finance their modernisation & expansion

programmes, through commercial borrowings, mobilisation of funds from the capital market, international financial institutions and other sources, depending upon the viability of the project.

(c) The requirement of funds by PSUs for modernisation/expansion/diversification keeps varying from time to time depending on the viability of the projects at a given time, and, future requirements cannot be quantified.

[Translation]

Export of Flowers and Fruits

1083. PROF. RASA SINGH RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of fruits and flowers exported and the foreign exchange earned therefrom during 1995-96;

(b) whether any agreement has been signed for production and the export of flowers and fruits during 1995-96, and

(c) if so, the details thereof, country-wise?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Value of fruits and flowers exported and foreign exchange earned during 1995-96 is as follows :-

• (Value : Rs. in Crores)

(i) Cut flowers*	44.25
(ii) Fruits**	146.38

* Statistics on weight is not available

** Information on quantity of fruits exported is being collected and will be laid on the Table of the House

(Source : DGCI & S. Calcutta)

(b) Government has not signed any agreement for production and export of flowers and fruits during 1995-96.

(c) Does not arise.

Financial Aid to Enterprises in Delhi

1084. SHRI JAI PRAKASH AGARWAL : Will the Minister of INDUSTRY be pleased to state :

(a) whether financial services scheme for small scale industries of National Small Scale Industries Corporation is in operation in National Capital Territory of Delhi;

(b) if so, the criteria adopted for granting the financial assistance to entrepreneurs of Delhi, and

(c) the details of the financial assistance provided to Entrepreneurs of Delhi during each of the last three years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. It is in operation in the National Capital Territory (NCT) of Delhi since September, 1994.

(b) The Corporation is offering the following four schemes under Financial Services to the Entrepreneurs of Delhi :

(i) **Raw Material Assistance** : NSIC arranges to provide raw material on credit as per specific need and requirements of the Small Scale Units for a maximum period of 90 days.

(ii) **Bill Financing** : Bills drawn by small scale units for the supplies made to reputed and well established enterprises and duly accepted by them can be financed/ discounted by NSIC for a maximum period of 90 days.

(iii) **Working Capital Finance** : Finance for augmenting working capital of viable units on selective basis in case of emergent requirements is provided.

(iv) **Export Development Finance** : Finance for export development to export oriented units for meeting their emergent requirements.

(c) During the financial year 1994-95 and 1995-96, NSIC has provided assistance of Rs. 957 lakhs and Rs. 1563 lakhs respectively to the small scale units of N.C.T. of Delhi under its Financial Services Scheme

[English]

Committee on Labour and Trade Related Issues

1085. SHRI JAGAT VIR SINGH DRONA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Committee appointed by the Government to formulate India's stand on various labour and trade related issues before the World Trade Organisation has submitted its report;

(b) if so, the recommendations made by the Committee on child labour and various labour legislations, and

(c) the decision taken by the Government on the recommendations?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). The Commission for the Study of Issues concerning the Protection of Labour Rights and related matters has submitted its report to the Government in which it has made several recommendations on labour issues, including the integration of all existing labour laws into an omnibus legislation, the recommendations of the Commission are under examination.

[Translation]

Textile Designing Exhibition

1086. SHRI JAI PRAKASH AGARWAL : Will the Minister of TEXTILES be pleased to state :

(a) the details of the exhibition organised on textile designing in Delhi during the last three years and till date;

(b) the details of the export orders received through such exhibitions;

(c) whether the Government propose to organise some more exhibitions on textile designing in near future, and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) No exhibition exclusively on textile designing was held in Delhi during the last three years. However, the following major exhibitions and fairs on textiles were organised during this period :-

- (i) "Resham India" silk fair at Hotel Taj Palace, New Delhi in October, 1993.
- (ii) An exhibition on Jute diversified products in Parliament House Annexe in May, 1995.

(b) As a result of "Resham India", export orders worth about US \$ 4.2 million for silk goods were received. The focus of the exhibition on Jute diversified products was on new areas of development in the jute sector.

(c) and (d) No exhibition exclusively on textile designing is proposed to be held now. However, the India Trade Promotion Organisation in association with the Textile Export Promotion Council and the Ministry of Textiles, proposes to organise "Tex Styles India" fair at New Delhi from 28th to 31st January, 1997.

Crucial Balancing Investment Scheme

1087. SHRI PARASRAM BHARDWAJ :
SHRI RAJIV PRATAP RUDY

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have recently notified 'Crucial Balancing Investment Scheme' to boost exports, and

(b) if so, the salient features thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Yes, Sir.

(b) The Scheme envisages balancing, capital investments for relieving bottlenecks in infrastructure

for export production and conveyance. Proposals identified for assistance under the scheme will be financed by the Ministry of Commerce out of special funds earmarked for the purpose.

[English]

Production of Rubber

1088. SHRI RAMESH CHENNITHALA : Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of rubber produced during each of the last three years, .

(b) whether the Government have made any efforts to increase the production of rubber in the country; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The total quantity of natural rubber produced during each of last three years is as under :-

	Production (tonnes)
1993-94	435160
1994-95	471815
1995-96	506910

(b) and (c). The Rubber Board is implementing various schemes to increase production and productivity of Rubber, which include:

- (i) Making available financial and technical assistance for newplanting and replanting with improved varieties;
- (ii) Production and distribution of high yielding planting materials to growers.
- (iii) Rendering advisory, extension and training services.
- (iv) Encouraging group processing and marketing among small holders;
- (v) Undertaking research on cultivation, production and processing of rubber;
- (vi) A World Bank assisted Project under implementation from 1993-94 to enhance production and improve quality of natural rubber.

[Translation]

Import of Coal

1089. SHRI SUSHIL CHANDRA : Will the Minister of COAL be pleased to state :

(a) the total production of coking and non-coking coal in the country during 1995-96;

(b) the cost of machines related to coal production purchased during the current year;

(c) the policy of Union Government regarding import of coal; and

(d) the quantum of coal imported by the Public and Private Sectors separately during the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Total production of coal in the country during 1995-96 had been 270.13 million tonnes, out of which 40.10 million tonnes is coking coal and 230.03 million tonnes is non-coking coal.

(b) The machines related to coal production purchased during the current year 1996-97 (upto June, 96) by CIL and SCCL is Rs. 470.41 crores (provisional).

(c) Coal can be freely imported under the present export and import policy. As such there is no need for any licence/permission from Government of India for its import.

(d) According to the figures received from Directorate General of Foreign Trade (DGFT), the total quantum of coal imported including coking coal during last three years is as under :

	(Million Tonnes)
1993-94	7.51
1994-95	11.39
1995-96 (upto Dec., 95)	9.35

Separate figures of import for public and private sectors are not maintained by DGFT.

Status of Official Language

1090. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of FINANCE be pleased to state :

(a) the present status of the Official Language 'Hindi' in Finance Ministry, its Undertakings and Banks; and

(b) the steps being taken by the Official Language Implementation Committees towards the promotion of the use of Official Language?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) All efforts are made to follow the provisions of the Official Language Act and the instructions issued by the Department of Official Language from time to time.

(b) The quarterly progress reports regarding the progressive use of Hindi are reviewed and discussed in the Official Language Implementation Committees and follow up action taken.

[English]

Board for Welfare of Weavers

1091. SHRI L. RAMANA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Backward Classes Commission in one of its report have recommended the constitution of a separate Board for the welfare of weavers community;

(b) if so, the details thereof;

(c) whether the Government propose to constitute a similar Board for the upliftment of weavers community in Andhra Pradesh as the community is living below poverty line; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) No, Sir.

(b) Does not arise.

(c) and (d). There is no such proposal.

[Translation]

Uniform Civil Code

1092. SHRIMATI SUMITRA MAHAJAN : Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether All India Muslim Women Convention has demanded that the system of divorce by announcing talak thrice in one go should be considered unlawful and thereby be repealed and necessary amendments be made in the Act with immediate effect;

(b) if so, whether the Government propose to amend the civil code for all citizens of the country; and

(c) the steps taken so far in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) Government has come across a news item captioned "Muslim Women's Convention says talaq illegal" published in the 'Statesman' dated the 25th March, 1996, wherein it has been *inter-alia* reported that the All India Muslim Women Convention has demanded that the practice of triple talaq (talaq-e-salasa) be declared illegal and void and appropriate amendments to this effect be made immediately.

(b) No, Sir.

(c) Does not arise.

Textile Mills in M.P.

1093. DR. SATYANARAYAN JATIA : Will the Minister of TEXTILES be pleased to state :

(a) the production and the number of the textile workers engaged in N.T.C., STC and private sector textile

mills located in Madhya Pradesh during each year from January, 1993 to January, 1996 and till June, 1996 therein:

(b) the measures taken by the Government to revive the closed textile mills, mill-wise; and

(c) the measures taken to provide jobs and the rehabilitation of the workers rendered jobless as a result of closing down of the above mill?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) The production of Yarn and Cloth for the past three years is as under :

Year	All Yarn (Mn. Kg.)	All Cloth (Mn. Sq. mts.)
93-94	61.288	76.045
94-95	66.243	66.357
95-96*	108.000	51.072

The number of workers engaged in NTC, STC and Private Sector mills in Madhya Pradesh for the past three years is as under :

	Mar. 93	Mar. 94	Dec. 95	Mar. 96
No. of workers	49214	48019	54216	54334

*Provisional

(b) Government has set up Board for Industrial and Financial Reconstruction (BIFR) to enquire into the working of sick industrial companies and to prepare and sanction, as appropriate, schemes for their revival.

(c) Government has set up Textile Workers Rehabilitation Fund Scheme (TWRFS) to provide interim relief to the workers rendered jobless due to permanent partial closure of the mill

[English]

Import of Gold

1094 SHRI RAM KRIPAL YADAV : Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation (MMTC) has diverted the concessional imports of gold to certain selected jewellery exporters;

(b) if so, the quantity alongwith the value of imported gold diverted by the MMTC to the jewellery exporters and the reasons therefor; and

(c) the action taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir.

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

[Translation]

World Bank Assistance for Tea Sector

1095. KUMARI UMA BHARATI :
SHRI PRABHU DAYAL KATHERIA :
SHRI SATYA DEO SINGH :
SHRI PANKAJ CHOWDHARY :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have sought financial assistance from the World Bank to boost production of tea in the country;

(b) if so, the amount sought for the purpose; and

(c) the response of the World Bank thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). A proposal for financial assistance to the tune of Rs. 2216.5 crores for development of tea industry in India has been submitted to the World Bank.

(c) A four member study team from the World Bank visited India during May/June, 1996 to make an assessment of the problems/bottlenecks faced by the tea industry in India. The Study Team, after discussions with different institutions and preliminary data analysis has identified issues which are to be addressed as a part of the project. Pursuant to discussions with the Study Team, five Working Groups have been constituted to make an in-depth analysis of the issues and various aspects of the project. The Bank mission would be visiting India again around November, 1996 for further interactions.

[English]

Closure of Sugar Mills under BIC Limited

1096. DR. M.P. JAISWAL : Will the Minister of TEXTILES be pleased to state :

(a) the number of workers rendered jobless due to closure of British India Corporation Sugar Mills at Chanpatia, Chakia in Bihar.

(b) whether the Government propose to adjust these employees in other companies;

(c) if so, the details thereof;

(d) since how long the payment of salary has not been given to the workers of this mill.

(e) the steps taken by the Government to pay the due salary of workers;

(f) whether these mills also has to pay outstanding due of cane growers;

(g) if so, the details thereof; and

(h) the time by which it is likely to be paid?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (h). The sugar factory at Chanpatia, Chakia in Bihar is one of the factories of the Champaran Sugar Company Limited, a private company which was wound up by Allahabad High Court Order on 05.09.1994 on the recommendation of the BIFR. On account of liquidation orders passed by the High Court, 876 workers at the sugar factory in Chanpatia ceased to be in employment. The management of the factory presently vest with the official liquidator. Since the Company is a private company, the Central Government has no proposal to clear their outstanding due or deployment of their employees in other Companies.

Status to Bikaner

1097. SHRI MAHENDRA SINGH BHATI : Will the Minister of FINANCE be pleased to state :

(a) whether the Bikaner District has been granted status of B-2 city; and

(b) if so, since when?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (b). Bikaner city has been classified as a B-2 Class City for the grant of House Rent Allowance and City Compensatory Allowance w.e.f. 1.3.1991.

Cotton Export

1098. SHRI RAM NAIK : Will the Minister of TEXTILES be pleased to state :

(a) the quantity of cotton permitted for export from Maharashtra during the current season;

(b) the total quantity of cotton exported by Maharashtra so far;

(c) the total quantity for export of cotton asked for by the Government of Maharashtra;

(d) the total quantity permitted by the Union Government; and

(e) the reason for permitting less quantity of cotton for export from the State ?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (d). Maharashtra Government had sought a quota of 5 lakh bales of cotton for export during the current cotton season (Sept. 95-Aug. 96). The Maharashtra State Cooperative Cotton Growers Marketing Federation has been allocated a quota of 2.2 lakh bales of cotton for export. All other State Federations were allotted, in all, 1.8 lakh bales for export. In addition, Maharashtra Federation could also apply against the quotas released for modern ginning and pressing units as well as for CCI/Federations/Private trade. The total quantity of

cotton exported (actually shipped) by Maharashtra Federation in the current year upto 15/7/96 is reported to be 47,594 bales.

(e) Does not arise in view of (a) to (d) above.

Review of P.M.R.Y.

1099. SHRI MAHESH KUMAR M. KANODIA :
PROF. RASA SINGH RAWAT :
SHRI KASHI RAM RANA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have made any assessment regarding success of Prime Minister Rozgar Yojana (P.M.R.Y.) for educated unemployed youths;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the details of the subsidy provided in this regard during the last year, State-wise and the target thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir.

(b) and (c). Progress in implementation of PMRY is reviewed by Committees constituted at the Central, State and District level. A cell headed by the Dy. Governor, RBI also closely monitors the performance of the banks under the PMRY. Besides review and assessment by these committees, evaluation of the programme is also carried out by involving reputed institutions like IIM. Based on this review/evaluation, progress in implementation of PMRY is satisfactory. As reported by the State/UTs, number of cases sanctioned bank loans during the year 1993-94, 1994-95, 1995-96 is 32,068, 1,98,238 and 2,94,148 respectively. However, insistence on collateral security by some banks and delay in disbursement of sanctioned loans have also been reported.

(d) Subsidy under the Prime Minister's Rozgar Yojana is released to the Reserve Bank of India which in turn releases it to implementing banks. Hence, RBI is maintaining bankwise releases of subsidy and does not maintain State-wise subsidy releases. During the year 1995-96 an amount of Rs. 118.20 crores was released to the Reserve Bank of India for meeting subsidy claims for implementation of PMRY.

Cargo and Custom Agents

1100. SHRI RAMASHRAYA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the number of authorised agents of Cargo and Customs clearing in Delhi;

(b) the criteria adopted for authorisation of such agencies;

(c) the number of licences issued during 1996-97 till date;

(d) whether the Government have received any complaints/suggestions about the working of these agencies;

(e) if so, the details thereof and action taken thereon;

(f) whether some unauthorised agents are also working in this field; and

(g) if so, the details thereof and action taken thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) the number of authorised Custom House Agents in Delhi is 460.

(b) the licencing of Custom House Agents is governed by the provisions of Custom House Agents Licencing Regulations 1984. Issue of temporary licences is governed by Regulations 4 to 8 which, inter-alia, provide for the method of invitation of application, the details to be furnished in the application, the conditions to be fulfilled by the applicants, and the scrutiny of the application. The grant of regular licences is governed by Regulations 9 to 11 which, inter-alia, provide for passing of an examination by the person or employees of the firms who have been granted a temporary licence, for furnishing a security and execution of a bond by the prospective licensee etc.

(c) 31 temporary licences have been issued during 1996-97, till date.

(d) to (g). The Government have not received any complaints/suggestions about working of the Agents at Delhi Custom House. Nor has the Government received any reports about any unauthorised Agents working at Delhi. As such, no action is required to be taken in this regard.

Reservation of Women in Parliament

1101. SHRI MRUTYUNJAYA NAYAK : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government have started preparing a constitutional amendment bill to reserve one third of seats for women in Parliament and State Legislative Assemblies; and

(b) if so, the progress made so far in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b) A proposal to reserve one-third of seats for women in Parliament and State Legislative Assemblies is under active consideration of the Government and a formal decision in the matter is expected to be taken shortly.

Seizure of Goods at I.G.I. Airport

1102. SHRIMATI VASUNDHARA RAJE : Will the Minister of FINANCE be pleased to state :

(a) the details of the foreign currency and smuggled goods seized by the Directorate of Revenue Intelligence at the Indira Gandhi International Airport from 1st January to 30th June, 1996;

(b) the number and details of the persons arrested in this connection; and

(c) the action taken against those persons?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). Directorate of Revenue Intelligence have detected four cases of attempt to smuggle goods at Indira Gandhi International Airport from 1.1.96 to 30.6.96 leading to seizure of assorted foreign currencies equivalent to Rs. 153.99 lakhs and foreign market gold weighing 15.251 Kgs valued at Rs. 80.17 lakhs. Four persons have been arrested in this regard. The names of persons and action taken against them are as follows :-

1. Shri Herbert Blazek detained under COFEPOSA.
2. Shri Abdul Qudose Rehman &
3. Shri Mohd. Aslam Khan - Arrested and remanded to judicial custody till 25.7.1996.
4. Shri Parmeet Singh Boparai - arrested and remanded to judicial custody, however, he has been released on interim bail on 7.6.1996. Prosecution against him has been filed on 11.6.1996.

Export of Poor Quality Items

1103. SHRI SATYA DEO SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have received any complaint for exporting sub-standard goods to the foreign buyers;

(b) if so, the details thereof;

(c) whether the Government have decided to take action against all those exporters who are involved in exporting poor quality of their production; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d). Yes, Sir. These complaints mainly relate to non-compliance of mutually agreed product specifications, defective packaging, delivery of wrong items, deterioration or contamination particularly in respect of edible/perishable items. The complaints are promptly investigated and appropriate action is taken against the

concerned exporters which includes suspension/cancellation of his Importer-Exporter Code Number, his debarment from availing Import Licences, imposition of fiscal penalties etc.

Refinancing of Commercial Banks by NABARD

1104. SHRI VINAY KATIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have decided to withdraw the refinance support extended by the National Bank for Agriculture and Rural Development to commercial banks; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). National Bank for Agriculture and Rural Development (NABARD) has reported that they have not decided to withdraw refinance support to commercial banks. However, keeping in view their resources availability and comparatively comfortable resources position of commercial banks vis-a-vis Cooperative Banks/Land Development Banks, NABARD have decided to extend refinance support to commercial banks only for project-based lending in thrust areas which *inter-alia* include horticulture floriculture, animal husbandry, fisheries (other than brackish water aquaculture), seed processing, sericulture and other innovative and specifically approved schemes. NABARD would, however, continue to extend refinance support to commercial banks for loans under non-farm sector, SC/ST Action Plan and Externally Aided Projects.

NABARD has further reported that for Bihar, Orissa and North-East Region, they will continue to extend refinance support to commercial banks for all eligible purposes.

Highest Amount of Central Excise Paying Companies

1105. SHRI HARIN PATHAK : Will the Minister of FINANCE be pleased to state :

(a) the names of those companies/individuals who have paid the highest amount of Central excise and income tax in Bombay and Gujarat especially Ahmedabad circle during the last three years;

(b) the total amount actually paid by them during the above period and total amount which was outstanding against them; and

(c) the total amount realised as excise and income tax in this region during the above period?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). The information is being collected and will be laid on the Table of the House.

Jute Corporation of India

1106. SHRI BASUDEB ACHARIA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government propose to diversify the activities of Jute Corporation of India; and

(b) if so, the details thereof alongwith the reasons therefor?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b). No such concrete plan is under consideration.

[Translation]

Inflation Rate

1107. SHRI PAWAN DIWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the rate of inflation has crossed double digit despite the measures taken by the Government to control it;

(b) if so, the weekly rate of wholesale price index and consumer price index of essential commodities during the last six months;

(c) the reasons for continuous increase in price indexes;

(d) the weekly rate of inflation on point to point basis during the said period;

(e) the effect of rise in inflation rate on the wholesale and retail prices of essential commodities; and

(f) the steps taken of proposed to be taken to check price hike and to control the rate of inflation?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) No, Sir. In the current financial year the inflation rate based on Wholesale Price Index has remained below 5 per cent. The inflation rate based on Consumer Price Index for Industrial Workers CPI(IW) was, however, 9.3% as on May 1996.

(b) Unlike WPI, the Consumer Price Index is available on monthly basis. The movement of the two indices in respect of essential commodities for the past six months is listed below :

TABLE 1

Index of prices of essential commodities

	WPI (Base 1981-82=100)	CPI(IW) (Base 1982=100)
	1	2
December, 95	300.5	319
January, 96	296.6	314

	1	2
February, 96	294.7	315
March, 96	294.6	315
April, 96	301.0	320
May, 96	305.1 P	NA
June, 96	314.0 P	-

P = Provisional.

(c) Increase of 4.5% in the WPI between December 1995 to June 1996 is a modest increase. Part of this increase is seasonal in nature—especially in case of fruits and vegetables.

The inflation rate based on consumer price index also showed some deceleration from 9.7% in December 1995 to 9.3% in May 1996.

(d) The point to point annual inflation rate for each week during the past six months is shown below in Table 2.

TABLE 2
Point to point inflation rate

Week ending	index (1981-82 = 100)	inflation (%)
1	2	3
2.12.95	298.5	7.1
9.12.95	298.1	6.5
16.12.95	297.9	6.4
23.12.95	297.0	6.0
30.12.95	296.8	5.8
6.1.96	296.8	5.2
13.1.96	297.1	4.9
20.1.96	298.1	5.0
27.1.96	297.5	4.9
3.2.96	297.6	4.7
10.2.96	297.7	4.4
17.2.96	297.9	4.6
24.2.96	298.4	4.9
2.3.96	299.3	5.1
9.3.96	299.3	5.2
16.3.96	299.3	5.1
23.3.96	299.5	5.0
30.3.96	299.5	4.4
6.4.96	301.8	4.8
13.4.96	302.5	4.9
20.4.96	302.7	4.6
27.4.96	304.1	5.0
4.5.96	303.5	4.6
11.5.96	304.3 (P)	4.4

	1	2	3
	18.5.96	304.3 (P)	4.2
	25.5.96	304.3 (P)	4.1
	1.6.96	305.4 (P)	4.8
	8.6.96	306.0 (P)	4.7
	15.6.96	306.2 (P)	4.5
	22.6.96	306.2 (P)	4.2
	29.6.96	306.5 (P)	4.2

P = Provisional.

(e) There was no increase in the rate of inflation during the last six months. In fact there was a deceleration in the inflation rate from 7.1% in the first week of December 1995 to 4.6% by the first week of May 1996.

(f) The important steps taken to contain inflation are:

- (1) continuation of open market sale by FCI of rice and wheat.
- (2) continuing OGL import policy for selected essential commodities such as sugar, edible oils, pulses and low fat milk powder at ml or reduced duty.
- (3) import of edible oils on government account for supply through PDS.
- (4) control of fiscal deficit in 1995-96 to 5.9% (RE) of GDP.
- (5) containing monetary growth to 13 per cent in 1995-96 through a series of measures.
- (6) maintaining a liberal import policy, combine with reduction in import duties, for most of the commodities.

[English]

Lower Excise on Higher Steel Production

1108. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that though the country produced six lakh metric tonnes of stainless steel during 1995-96 it has received excise duty only for three lakh metric tonnes;

(b) if so, the details thereof alongwith the reasons therefor;

(c) the action being initiated against the defaulting companies; and

(d) the actual losses incurred during the last three years due to evasion of excise by such companies year-wise?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d). Information is being collected and will be laid on the Table of the House.

Posts vacant in Small Sector Undertakings

1109. SHRI KRISHAN LAL SHARMA : Will the Minister of INDUSTRY be pleased to state :

(a) whether about 90 top posts are lying vacant in various Central Public Sector Undertakings at present;

(b) if so, the details thereof alongwith the reasons therefor; and

(c) the time by which the posts are likely to be filled?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). As per available information, 37 posts of Chief Executives and 68 posts of full time Directors were lying vacant in various Central Public Sector Undertakings as on 31.5.1996. The details of these posts are given in the enclosed statement. The top posts are filled up in accordance with a prescribed procedure which include Selection by the Public Enterprises Selection Board and appointment by the concerned administrative Ministry/Department. Filling up of top posts is a continuous process.

STATEMENT

Details of top posts lying vacant in various Central Public Enterprises as on 31.5.1996.

(a) Posts of Chief Executives

1. MD, Andaman & Nicobar Islands Forests & Plantation Dev. Corpn.
2. CMD, Bharat Bhari Udyog Nigam Ltd.
3. CMD, Bharat Earth Movers Ltd.
4. CMD, British India Corporation Ltd.
5. CMD, Bharat Aluminium Co. Ltd.
6. CMD, Bharat Process & Mechanical Engineers Ltd.
7. CMD, Bharat Gold Mines Ltd.
8. CMD, Bridge & Roof Co. (I) Ltd.
9. CMD, Central Inland Water Transport Corpn. Ltd.
10. CMD, Central Cottage Industries Corpn. of India
11. CMD, Cotton Corpn. of India Ltd.
12. MD, Damodar Cement & Slag Ltd.
13. CMD, Hindustan Copper Ltd.
14. CMD, Hindustan Zinc Ltd.
15. CMD, Hindustan Steelworks Constn. Ltd.
16. CMD, Hindustan Photo Films Mfg. Co. Ltd.
17. CMD, Handicrafts & Handlooms Exports Corpn.
18. CMD, Indian Telephone Industries Ltd.
19. MD, Indian Railway Constn. Co. Ltd.
20. CMD, Indian Rare Earths Ltd.
21. MD, Indian Railway Finance Corpn. Ltd.
22. MD, Lagan Jute Machinery Co. Ltd.
23. MD, Madya National Paper Mills Ltd.
24. MD, Modern Food Industries (I) Ltd.
25. MD, Manipur State Drugs & Pharmaceuticals Ltd.
26. MD, National Seeds Corpn. Ltd.
27. CMD, NEPA Ltd.
28. CMD, Pawan Hans Ltd.
29. CMD, Power Grid Corpn. Ltd.
30. CMD, Rashtriya Chemicals & Fertilizers Ltd.
31. CMD, Rashtriya Pariyojna Nirman Nigam Ltd.
32. MD, Reyroll Burn Ltd.
33. MD, Rajasthan Electronic & Instruments Ltd.
34. MD, Rail India Technical & Economic Service
35. CMD, Shipping Corpn. of India Ltd.
36. CMD, Tehri Hydro Development Corporation.
37. CMD, Tyre Corporation of India Ltd.

(b) Posts of functional directors

1. Member (Fin), Airports Authority of India.
2. Member (Opers), Airports Authority of India
3. Member (P & A), Airports Authority of India
4. Member (Plg), Airports Authority of India.
5. Director (Tech), Bharat Bhari Udyog Nigam Ltd
6. Director (Fin), Bharat Bhari Udyog Nigam Ltd
7. Director (Comm), Bharat Aluminium Co. Ltd
8. Director (Opers & Proj), Bharat Aluminium Co. Ltd.
9. Director (Tech), British India Corpn. Ltd
10. Director (Fin), Bharat Dynamics Ltd.
11. Director (Fin), Bharat Gold Mines Ltd.
12. Director (Refinery), Bharat Petroleum Corpn. Ltd
13. Director (Fin), Bharat Petroleum Corpn. Ltd.
14. Director (Fin), Coal India Ltd.
15. Director (Pers), Coal India Ltd. (Subsidiary)
16. Director (Oprs), Cement Corpn. of India Ltd
17. Director (Fin), Cement Corpn. of India Ltd
18. Director (Fin), Electronics Trade & Tech. Dev. Corpn.
19. Director (Tech), Electronics Corpn. of India Ltd.
20. Director (Tech), Engineers India Ltd
21. Director (Fin), Engineering Projects (I) Ltd
22. Director (Fin), Fertilizer Corpn. of India Ltd.
23. Director (Tech), Fertilizer & Chemicals Travancore Ltd.
24. Director (Fin), Garden Reach Shipbuilders & Engineers Ltd.
25. Director (Fin), Goa Shipyard Ltd.
26. Director (Proj), Gas Authority of (I) Ltd.

27. Director (Pres), Gas Authority of (I) Ltd.
28. Director (Fin), Heavy Engineering Corpn. Ltd.
29. Director (Mktg), Heavy Engineering Corpn. Ltd.
30. Director (P & A), Hindustan Petroleum Corpn. Ltd.
31. Director (Opers), Hindustan Copper Ltd.
32. Director (Pers), HMT Ltd.
33. Director (MPCPP), HMT Ltd.
34. Director (Mktg), Hindustan Organic Chem. Ltd.
35. Director (R & D) Indian Oil Corpn.
36. Director (BLR CMPLX), Indian Telephone Industries Ltd.
37. Director (R & D), Indian Petro Chemicals Ltd.
38. Director (Pers), Indian Petro Chemicals Ltd.
39. Director (Fin), IBP Co. Ltd.
40. Director (Comm), Kudremukh Iron Ore Co. Ltd.
41. Director (Fin), Mineral Exploration Corpn. Ltd.
42. Director (Tech), Metallurgical & Engg. Consultant Ltd.
43. Director (Fin), Mining & Allied Machinery Corpn.
44. Director (Fin), Mazagon Dock Ltd.
45. Director (Fin), Manganese Ore (I) Ltd.
46. Director (Power), Neyveli Lignite Corpn. Ltd.
47. Director (Fin), National Fertilizers Ltd.
48. Director (Tech), National Fertilizers Ltd.
49. Director (Proj), National Thermal Power Corpn. Ltd.
50. Director (Fin), Numaligarh Refineries Ltd.
51. Director (Comm), National Thermal Power Corpn. Ltd.
52. Director (Opers), National Thermal Power Corpn. Ltd.
53. Director (Fin), National Jute Mfg. Corpn. Ltd.
54. Director (Tech), National Jute Mfg. Corpn. Ltd.
55. Director (Fin), Naptha Jhakri Power Corpn.
56. Ex. Director (Fin), National Film Development Corpn.
57. Director (Tech), National Mineral Development Corpn.
58. Director (Opers), Oil India Ltd.
59. Director (Fin), Projects & Development India Ltd.
60. Director (Fin), Paradeep Phosphates Ltd.
61. Director (Fin), Power Grid Corpn. Ltd.
62. Director (Tech), Rashtriya Chemicals & Fertilizers Ltd.
63. Director (Comm), Rashtriya Ispat Nigam Ltd.
64. Director (Tech), Rail India Tech & Economic Service Ltd.
65. Director (Engg), Rashtriya Pariyojna Nirman Nigam Ltd.

66. Director (Fin), Rashtriya Pariyojna Nirman Nigam Ltd.
67. Director (Prodn. & Mktg), Tannery & Footwear Corpn.
68. Director (Fin), Videsh Sanchar Nigam Ltd.

Mega Growth Centres

1110. DR. RAM CHANDRA DOME : Will the Minister of INDUSTRY be pleased to state :

(a) the name of such State Governments who have sent proposals/schemes to set up 'Mega-Growth Centres' in their respective State to the Union Government for clearance;

(b) the details of schemes which have been approved by the Union Government, State-wise;

(c) the allocation made to each State for the 'Mega Growth Centres', State-wise;

(d) whether there is any proposal to modify the 'Mega Growth Centres' scheme; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). Proposals for setting up of Growth Centres have been received from the State Governments mentioned in enclosed statement-I.

Details of the 41 Growth Centres approved so far, by the Government of India and the amount of Central assistance released to them are given in the enclosed statement-II.

(d) and (e). Each of the Growth Centre is to be developed at an estimated cost of Rs. 25-30 crores, out of which the contribution of the Central Government is limited to Rs. 10 crores. Release of funds is made depending upon the progress achieved in the implementation of the Growth Centre by the State Government. Any modification in the Growth Centre Scheme will require the approval of CCEA and any such modification made will be intimated to the State Governments.

STATEMENT-I

States which have submitted proposals for setting up of Growth Centres

S.No.	Name of the State
1	2
1.	Andhra Pradesh
2.	Arunachal Pradesh
3.	Assam
4.	Bihar
5.	Goa

1	2
6.	Gujarat
7.	Haryana
8.	Himachal Pradesh
9.	Jammu & Kashmir
10.	Karnataka
11.	Kerala
12.	Madhya Pradesh
13.	Maharashtra
14.	Manipur
15.	Meghalaya
16.	Mizoram
17.	Nagaland
18.	Orissa
19.	Pondicherry
20.	Punjab
21.	Rajasthan
22.	Tamil Nadu
23.	Tripura
24.	Uttar Pradesh
25.	West Bengal

STATEMENT-II*List of approved Growth Centres*

Name of the Growth Centre	District	Central assistance released (Rs. in lakhs)
1	2	3
Andhra Pradesh		
1.	Hmdupur	Anantpur 200.00
2.	Khammam	Khammam 50.00
3.	Vizianagaram-Bobbili	Vizianagaram 300.00
4.	Ongole	Prakasam 300.00
Bihar		
5.	Begusarai	Begusarai 300.00
6.	Hazaribagh	Hazaribagh 200.00
Goa		
7.	Electronic City	Verna-Plateau 524.00
Gujarat		
8.	Gandhidham	Kutch 100.00
9.	Palanpur	Banaskantha 100.00
10.	Vagra	Bharuch 1000.00

1	2	3
Haryana		
11.	Bawal	Rewari 1000.00
Jammu & Kashmir		
12.	Samba	Jammu 200.00
Karnataka		
13.	Dharwad	Dharwad 800.00
14.	Raichur	Raichur 460.00
15.	Hassan	Hassan 800.00
Kerala		
16.	Alleppey-Pathnamthitta	Alleppey-Pathnamthitta 268.00
17.	Kannur-Kozhikode Mallapuram	Kannur-Kozhikode-Mallapuram 884.00
Madhya Pradesh		
18.	Borai	Durg 568.00
19.	Chainpura	Guna 100.00
20.	Ghirongi	Bhind 1000.00
21.	Kheda	Dhar 1000.00
22.	Siltara	Raipur 1000.00
23.	Satlapur	Raisen 185.00
Maharashtra		
24.	Akola	Akola 200.00
25.	Chandrapur	Chandrapur 300.00
26.	Dhule	Dhule 200.00
27.	Ratnagiri	Ratnagiri 200.00
Punjab		
28.	Bhatinda	Bhatinda 1000.00
29.	Pathankot	Gurdaspur 1000.00
Rajasthan		
30.	Abu Road	Sirohi 860.00
31.	Bikaner	Bikaner 300.00
32.	Dholpur	Dholpur 250.00
33.	Jhalawar	Jhalawar 300.00
Tamil Nadu		
34.	Erode	Periyar 1000.00
35.	Tirunelveli-Gangai Kondan-Nanur Block	Tirunelveli-Kattabomman 930.00
Uttar Pradesh		
36.	Bachauli-Buzrug	Jhansi 50.00
37.	Banthara	Shahjahanpur 50.00
38.	Chaudharpur	Moradabad 50.00
39.	Khurja	Bulandshahr 250.00
40.	Mungra-Sathazia	Jaunpur 450.00
41.	Sahjanwa	Gorakhpur 1000.00

[Translation]

Family Bond

1111. SHRI PANKAJ CHOWDHARY :
KUMARI UMA BHARATI

Will the Minister of FINANCE be pleased to state :

(a) whether the Industrial Finance Corporation of India has any scheme to issue 'Family Bond';

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

(c) the amount of bonds to be issued by the Corporation; and

(d) the time by which these bonds are likely to be issued.

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). Yes, Sir. The Industrial Finance Corporation of India Ltd. (IFCI) has reported that with a view to augment its resources, it has decided to raise Rs. 800 crores through a public issue of unsecured redeemable bonds in the nature of promissory notes titled as 'Family Bonds'. The salient features of these bonds include anytime liquidity i.e. encashment of bonds upto any amount at any time after one year, insurance cover to all original individual resident Indian bondholders under group personal accident insurance policy, issue of free loyalty bonds to existing resident Indian shareholders and bondholders of IFCI and availability of loans from specified banks/ financial institutions to bondholders against security of these bonds.

(d) The proposed public issue of 'Family Bonds' is scheduled to open for subscription on 25th July, 1996 with earliest closing on 14th August, 1996 and closing not later than 20th August, 1996.

[English]

World Bank Loan for Rural Water Supply

1112. DR. MURLI MANOHAR JOSHI : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has sanctioned a \$ 59.6 million loan for Rural Water Supply and Environmental Sanitation project in U.P.;

(b) if so, the details thereof;

(c) the agency and the mechanism for the execution of the project and whether the allocation of funds have been worked out;

(d) if so, the details thereof; and

(e) the role of non-Government organisations, if any, in the project?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

The World Bank's Board on 25.6.96 has approved US \$ 59.6 million loan for the Rural Water Supply and Environmental Sanitation Project in U.P.

(b) The project's two main objectives are to :

(i) deliver sustainable health hygiene benefits to the rural population by improving water supply and environmental sanitation services; and

(ii) Promote long term sustainability of the rural water supply and sanitation sector by providing assistance to the Government of Uttar Pradesh to identify and implement an appropriate policy framework and strategic plan for the sector.

(c) to (e). The project will be implemented by a Project Monitoring Unit, which has been set up as registered society under the Rural Development Department of Government of Uttar Pradesh. Responsibility for delivery of services will be sub-contracted by the Project Monitoring Unit to NGO's, community based organisations and private sector firms who shall be selected by the PMU on the basis of transparent criteria.

The total cost of the project including contribution by the State Government of UP and the local community has been estimated at US \$ 71.00 million equivalent. The component wise allocation of funds is as under :

	US \$ million
Strengthening and operation of the project management	8.31
Selection and Construction of Water Supply and environmental Sanitation facilities for single and regional schemes.	60.21
Studies & Sector Development.	2.46
Total	70.98

Inclusion of Bangladeshies in the Voter List

1113. SHRI AMAR ROYPRADHAN : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether complaints have been received by the Government/Election Commission regarding inclusion of names of Bangladeshies in the Voters List of District Coochbehar (W.B.) during 1995 and 1996;

(b) if so, the number of such complaints received; and

(c) the action taken by the Government on such complaints?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c). Election Commission has informed that it had received a complaint in 1995 regarding

inclusion of a large number of infiltrated persons from Bangladesh in the Electoral Rolls of 8-Tufanganj (SC) and 9-Natabari Assembly constituencies falling in District Coochbehar. The complaint was endorsed to the election authorities in West Bengal for appropriate action.

Winding up of Spinning Mills

1114. SHRI DILEEP SANGHANI : Will the Minister of FINANCE be pleased to state :

(a) whether the Board of Industrial and Financial Reconstruction has recently recommended for winding up and also for modernisation of some cotton spinning and weaving mills in Gujarat.

(b) if so, the details thereof in each category, separately; and

(c) the amount allocated during the last three years and in the current year, so far for modernisation plans of these mills in the State?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). The Board for Industrial and Financial Reconstruction (BIFR) has reported that as on 30.06.1996, it had sanctioned rehabilitation schemes in respect of seven sick textile industrial companies and recommended winding up of 26 sick textile industrial companies in the State of Gujarat. The details are given in the enclosed statement.

(c) BIFR has reported that no data regarding the amount allocated or proposed to be allocated for rehabilitation of sick industrial companies are kept by it. The rehabilitation schemes generally indicate the reliefs/concessions agreed to by all the parties concerned including banks/financial institutions and the overall quantum of sacrifices thus made and not the precise amount agency-wise.

STATEMENT

List of Sick Textile Industrial Companies in the state of Gujarat registered with BIFR upto 30.06.1996

Revival Scheme Sanctioned by BIFR

1. Hathising Manufacturing Company
2. Diamond Textile Mills
3. Broach Textile Mills
4. Maheshwari Mills
5. Gujarat Polywear Limited
6. Madhu Fabrics Limited
7. Madhu Textiles Ahmedabad Limited

Winding up Recommended by BIFR

1. New Gujarat Synthetics Limited
2. Star of Gujarat Textile

3. Gaikwar Mills Limited
4. Commercial Ahmedabad Mills Limited
5. Patel Mills Company Limited
6. Shri Yamuna Mills Limited
7. Vijaya Mills
8. P.G. Textile Mills
9. Padmini Mills Limited
10. Mohan Carpets
11. Rustom Mills
12. Raj Prakash Spinning
13. Dhanmal Silk Mills Private Limited
14. Shri Prithvi Cotton Works Limited
15. Aryodaya Ginning and Manufacturing Company Limited
16. Maharana Mills Limited
17. Navjivan Mills Limited
18. Ahmedabad Manufacturing and Calico Ptg. Company Limited
19. Kalol Mills Limited
20. Sri Arbuda Mills
21. Shri Amruta Mills Limited
22. Arunesh Processors
23. Chemox Synthetics
24. Shri Ambika Mills
25. Nutan Mills
26. Aruna Mills

Increase in the LL.B Course

1115. SHRI MRUTYUNJAYA NAYAK :
SHRI KODIKUNNIL SURESH :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether All India Law Students Forum has started a nation-wide agitation against the decision of the Bar Council of India to increase the LL B course by a year, and

(b) if so, the details thereof alongwith the reasons therefor?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b). The Bar Council of India has not increased the LL B course by a year. However, the Council has introduced a pre-enrolment training for a period of one year for persons with requisite legal qualifications to enter the profession of law. Writ Petitions have been filed before different High Courts challenging the introduction of such pre-enrolment training.

The Bar Council of India has filed a transfer petition in the Supreme Court seeking transfer of various

petitions pending before different High Courts to the Supreme Court. The Supreme Court has issued notice and, in the mean time, the proceedings in the said petitions in the High Courts have been stayed. The matter is sub-judice.

The Bar Council of India has informed that the Council has no information about any nation-wide agitation by Law Students Forum.

[Translation]

Licences for New Sugar Mills in U.P.

1116. SHRI MUNAWWAR HASSAN : Will the Minister of INDUSTRY be pleased to state

(a) whether the Government propose to issue licences for setting up new sugar mills in Uttar Pradesh

(b) if so, whether it is proposed to set up a new mill at Kairana-Jhijnjhana area of Muzzafarnagar district in U.P.

(c) if so, by when, and

(d) if not the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Consideration of Industrial Licence applications is an on-going process

(b) to (d). As per status as on 15.7.96, no proposal for granting any Letter of Intent against any application for the same in Muzzafarnagar District is under consideration of the Government

[English]

Economic Liberalisation

1117. DR LAXMINARAYAN PANDEY : Will the Minister of INDUSTRY be pleased to state

(a) whether the Confederation of Indian Industries (CII) has expressed any apprehensions about the various facets of ongoing process of economic liberalisation and the free-run allowed to foreign multinationals.

(b) if so, the details thereof.

(c) whether the Government have held any dialogue with CII in this regard, and

(d) if so, the results thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. The Confederation of Indian Industries (CII) presented a paper entitled "MNCs India Strategy need rethink" in its session held on 22nd March, 1996 to deliberate its strategy towards Multinationals in the post election scenario. These issues include - (i) sales approach to India as distinct from manufacturing, (ii) failure in bringing latest technology, (iii) multinational companies rushing to acquire 51% holdings, (iv) setting up a 100% subsidiary despite having a joint-venture with an Indian partner, and

appointment of expatriate managers against competitive Indian managements available in the country.

(c) and (d) Suggestions and reactions to the Industrial Policy continue to be received from a number of quarters including the CII. Keeping the above in mind, the Government constantly reviews the policy framework for making the Indian industry internationally competitive and India an attractive destination for foreign investment which is in the interest of the industrial and economic development of the country

External Aid Utilisation

1118. SHRI SARAT PATTANAYAK : Will the Minister of FINANCE be pleased to state

(a) whether the pace of external aid utilisation in infrastructure sector is slow;

(b) if so, the reasons therefor, and

(c) the steps taken by the Government to ensure the speedy and proper utilisation of external aid?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) There are slippages in respect of many projects. Overall aid utilisation in infrastructure should be improved.

(b) Slippages are mainly due to delayed investment approval, environmental clearance, delay in finalisation of contracts and delay in release of funds by the State Governments

(c) In the case of these slippages, the project authorities are urged to overcome these delays through more effective monitoring. In general, steps taken by the government in the last few years include ensuring better utilisation of foreign aid, such as release of 100% ACA to State Governments in all sectors; release of 25% of the annual expenditure as advance ACA to State Government; disinter-mediation of aid flow to Central Public Sector undertakings to overcome the delay in budgetary process; cancellations and restructuring of projects where necessary; intensified monitoring of projects by concerned credit divisions; setting up of a project monitoring Unit in Ministry of Finance and appointment of nodal officers

[Translation]

Investment in Bihar

1119. SHRI RAMENDRA KUMAR : Will the Minister of FINANCE be pleased to state

(a) whether 18 per cent of the amount deposited in the nationalised banks in Bihar is invested in that State while 32 per cent amount is invested at national level; and

(b) if so, the steps taken or proposed to be taken to bring Bihar at par with the national level?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The Reserve Bank of India (RBI) has reported that the credit deposit ratio for Bihar as in March, 1996 is 31.98 per cent as against the all-India figure of 61.9 per cent.

(b) Bank of India, the Convenor Bank for State Level Bankers Committee (SLBC) for Bihar has reported that a number of steps have been taken to increase deployment of bank credit in Bihar. These inter alia, include :

- (i) A High Powered Committee has been constituted by Reserve Bank of India (RBI) for reviewing and overseeing the implementation of recommendations of the Task Force on Credit Deposit Ratio for the State;
- (ii) Scale of finance of crop loans has been revised to increase loan component;
- (iii) Opening of specialised bank branches such as Hi-Tech Agricultural Branch and Small Scale Industries Finance Branch;
- (iv) Identification work for proposed medium and large industries for increasing bank credit in the State; and
- (v) Bigger plan for 1996-97 has been prepared based on the available potential to increase Credit Deposit Ratio.

[English]

Investment in Public Sector Units

1120 SHRI SRIBALLAV PANIGRAHI : Will the Minister of INDUSTRY be pleased to state

(a) the details of the Public Sector Undertakings which have been allowed to go for disinvestment during the last one year; and

(b) the steps the Government have taken or contemplates to take to make the market conditions suitable for disinvestment?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) During the last one year Government have disinvested in four public sector enterprises namely Oil & Natural Gas Corporation, Steel Authority of India Limited, Container Corporation of India Limited, Mahanagar Telephone Nigam Limited. No disinvestment has taken place after October'95. The question of Government taking steps to make the market conditions suitable for disinvestment does not arise in free market operation conditions.

[Translation]

Export of Readymade Garments

1121. SHRIMATI SHEELA GAUTAM Will the Minister of TEXTILES be pleased to state

(a) the quantum of readymade garments exported from the country during 1994-95 and 1995-96;

(b) the incentives given by the Government for promoting the export of readymade garments; and

(c) the position of the country in world's readymade garment export trade in comparison to Bangladesh, Pakistan, Malaysia, Sri Lanka and United Arab Emirates?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) The quantum of readymade garments exported from the country during 1994-95 and 1995-96 has been as follows :

Quantity in Crore Pieces	
1994-95	99.24
1995-96	109.82

(b) In order to step up the exports of readymade garments, Government have been taking a number of steps, which include encouraging exporters to participate in buyer-seller meets, fairs and exhibitions, enabling import of capital goods at concessional duty for export production, special arrangements for duty free import of raw materials for export production, ensuring increased availability of export credit etc.

(c) India's readymade garments exports are higher as compared to that of Bangladesh, Pakistan, Malaysia, Sri Lanka and the United Arab Emirates

[English]

Export to Bangladesh

1122. SHRI PRABHU DAYAL KATHERIA Will the Minister of COMMERCE be pleased to state

(a) whether the export to Bangladesh have come down during 1995-96 as compared to 1994-95;

(b) if so, the details thereof and the reasons therefor and

(c) the steps taken by the Government to boost our exports to that country during 1996-97?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) (a) and (b). No, Sir.

India's exports to Bangladesh during 1995-96 amounted to Rs. 3469.91 cr. as compared to Rs. 2024.13 cr. in 1994-95.

(c) Govt. have not taken any specific steps for boosting exports to Bangladesh so far during the current year i.e. 1996-97.

Revival of Sick Industries by BIFR

1123. KUMARI MAMATA BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) the number of industries revived so far through BIFR since its inception;

(b) whether the Government propose to provide financial power to BIFR to implement the scheme for revival of sick industries; and

(c) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The Board for Industrial and Financial Reconstruction (BIFR) has reported that since its inception, it has declared 108 sick industrial companies as 'no longer sick' after successful implementation of revival schemes sanctioned/approval.

(b) There is no such proposal under consideration at present.

(c) Does not arise.

Supreme Court Bench in South India

1124. SHRI K.C. KONDAIAH : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether some social and non-Governmental organisations have submitted Memoranda recently for consideration for setting up a Supreme Court Bench in South India;

(b) if so, the details therefor; and

(c) the reaction of the Government thereon?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c). Representations/suggestions have been received from time to time from certain State Governments, Bar Associations etc. for establishing Benches of Supreme Court in various parts of the country, including South India.

According to Article 130 of the Constitution, the Supreme Court shall sit in Delhi or in such other place or places, as the Chief Justice of India may, with the approval of the President, from time to time, appoint.

No proposal has been received from the Chief Justice of India in this regard.

Procurement of Iron-ore by MMTC

1125. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of Iron-ore procured by Metals and Minerals Trading Corporation from Banspani-Bara

jamda sector in Orissa for export during each of the last three years;

(b) whether iron-ore procured from this sector for export through Paradip Port has been declining every year;

(c) if so, the details thereof alongwith the reasons therefor; and

(d) the steps taken by the Government to increase the procurement from the current financial year?

* THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). The total quantity of iron-ore procured from Banspani-Barajamda Sector was as follows :

(in lakh metric tonnes)

Year	Quantity	
	Total for Orissa State	Banspam-Barajamda Sector
1993-94	11.24	8.15
1994-95	11.09	6.99
1995-96	07.37	6.00

(c) The reasons for the decline in the quantities are :

- Higher demand from the domestic industries within the Region;
- Due to modification in the EXIM Policy 1992-97, iron ore mine owners from the Region have been permitted to export iron ore directly and therefore were not able to supply the required quantities to MMTC for exports.

(d) Steps taken by MMTC to increase procurement of iron ore from this sector include :

- (i) increase in the price of lumpy iron ore by 10% for supplies during 1995-96/1996-97
- (ii) removal of quantity restrictions.
- (iii) commitment from the mine owners for assured supplies in 1995-96/1996-97.
- (iv) increase in transport subsidy by 10% for Korra sector.

[Translation]

Smuggling of Gold

1126. SHRI KACHARU BHAU RAUT : Will the Minister of FINANCE be pleased to state :

(a) the quantity and value of gold which was smuggled in the country during the last year;

(b) the number of persons arrested in this regard; and

(c) the action proposed to be taken by Government to check smuggling of gold?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Smuggling being a clandestine activity, it is not possible to estimate quantity and value of gold smuggled in the country during the last year. However, anti-smuggling agencies during the year 1995-96 have seized gold weighing 1052 kg. valued at Rs. 50.87 crores while attempted to be smuggled into the country.

(b) Information is being collected and will be laid on the table of the House.

(c) Measures taken to prevent smuggling of gold into the country include liberalized import of gold since 1992 under passenger baggage scheme to make large quantities of legally imported gold available for consumption in India, high alert maintained by anti-smuggling agencies to detect and prevent smuggling of gold into the country by surveillance over sensitive areas, targeting of intelligence and use of sophisticated equipments like metal detectors, colour bagges X-Ray Machines etc. in ports and airports

[English]

Central Investment in Bihar

1127 SHRI RAM TAHAL CHAUDHARY : Will the Minister of FINANCE be pleased to state :

(a) The Central Investment made in Bihar during the last three years year-wise;

(b) whether the Central Investment in Bihar is declining; and

(c) if so, steps taken to increase said investment?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). The Central Plan investment is made for the country as a whole keeping the national priorities in view. It is neither planned nor accounted State-wise. The net Central Plan assistance to Bihar has, however, been increasing year after year in the last three years.

Pending Cases with Tribunals

1128 SHRI MANGAL RAM PREMI : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Tribunals set up in the past decade has not shown the desired results;

(b) if so, the reasons therefor;

(c) the steps taken by the Government to speed up the justice in Tribunals and to check the delays; and

(d) the number of cases pending in the Tribunals as on date, Tribunal-wise and since when?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (d). The information is being collected and will be laid on the Table of the House.

BCCL Project

1129. SHRI CHITTA BASU : Will the Minister of COAL be pleased to state :

(a) whether a large number of villagers have been ousted from their native villages as a result of the implementation of BCCL Project;

(b) if so, the details thereof; and

(c) the steps taken for their rehabilitation?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) 710 families have been displaced as a result of different coal projects taken up by B C C L.

(b) Details are given below

Project	No. of families
Block-II OCP	199
Block-IV OCP	70
Akashkinafee	15
Keshalpur	133
Ramkanali	8
Chandore	3
PB Project	60
Katras Project	19
Bhowrah OCP	203
Total	710

(c) All displaced families have been rehabilitated in developed rehabilitation sites

Consumer Goods

1120 SHRI E. AHAMED : Will the Minister of COMMERCE be pleased to state :

(a) whether the Union Government have taken any decision to lift restrictions on importing consumer goods;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Government have convened any meeting of all Commodity Boards to discuss ways and means to strengthen the production base; and

(d) if so, the outcome thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). No Sir. However the Export and Import Policy is periodically reviewed for effecting such changes as may be necessary from time to time.

(c) and (d) As part of export promotion efforts, meetings with the Commodity Boards are held periodically to discuss ways and means of strengthening and increasing export performance. Suggestions received from Commodity-Boards with reference to Policy matters are also considered and implemented from time to time.

Industries in J&K

1131. SHRI GULAM RASOOL KAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether any survey has been conducted in Kashmir Valley for setting up of small scale industries and bigger projects for the generation of employment.

(b) the number of industries which have been set up and started working during the last three years in the private and public sector and

(c) the details of industries given subsidy such as industries subsidy, transport subsidy and any other subsidy to generate the industries in Jammu and Kashmir for the last three years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) (a) No, Sir.

(b) During the last three years the SSI units which have been set up in J & K started working in the State are as under :-

	Private Sector
1993-94	1105 units
1994-95	1085 units
1995-96	1156 units

Two units have been set up in medium-large scale in private sector. No units is reported to have come up during the last three years in the public sector.

(c) During the last three years the total amount of subsidy released in favour of SSI units, medium large scale units is as under :-

1993-94	Rs. 503.14 lacs
1994-5	Rs. 569.51 lacs
1995-96	Rs. 833.28 lacs

Out of above Rs. 288.54 lacs, Rs. 334.79 lacs and Rs. 231 lacs constitute transport subsidy for the respective years. Rest are other subsidy given by the State.

Cotton Stock

1132. SHRI SANAT MEHTA :
SHRI DILEEP SANGHANI :

Will the Minister of TEXTILES be pleased to state :

(a) whether inspite of liberal export quota given by the Government for cotton, cotton growers have not been able to dispose of their cotton in the market.

(b) if so, whether the Government are aware of the huge unsold cotton stock lying with farmers, particularly of short staple varieties, and

(c) if so, the steps the Government propose to take to help such cotton growers?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) to (c). The Cotton Advisory Board in its meeting held on 17.6.96 has estimated the 1995-96 cotton crops size to be 149 lakh bales. Out of this, about 148.38 lakh bales are already reported to have arrived in the market as on 11.7.96.

Government have so far released 13.65 lakh bales of cotton for export keeping in view the interests of the cotton growers and consumers.

Rural Credit System

1133. SHRI JAG MOHAN : Will the Minister of FINANCE be pleased to state

(a) whether the incidence of over dues in the rural credit system has been increasing over the years.

(b) if so, whether the aforesaid trend has eroded the financial soundness of the system, and

(c) if so, the corrective measures being taken in this regard?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b) National Bank of Agriculture and Rural Development (NABARD) has reported that the incidence of overdues in the rural credit system which had increased steeply in 1990-91 has shown a significant declining trend. However, even the existing level of overdues are a matter of concern since they affect the soundness of the credit delivery system.

(c) NABARD has further reported that steps have been taken to improve the recovery performance of the rural credit institutions. These, inter-alia, include :

(i) Banks have been advised by the Reserve Bank of India (RBI) to strengthen their organisational set up and establish separate recovery cells.

(ii) Legislations have been enacted in 16 States so far on the basis of model bill evolved by

the Talwar Committee for recovering agricultural dues:

- (iii) NABARD has prescribed eligibility criteria for banks to draw refinance against their schematic lending with reference to the recovery performance of the bank; and
- (iv) NABARD has advised Regional Rural Banks and Co-operatives to prepare Development Action Plans to revamp their operations with special attention to recovery aspects.

Closure Notices to Textiles Mills by BIFR

1134 SHRI THAWAR CHAND GEHLOT : Will the Minister of FINANCE be pleased to state :

(a) the details of textile mills of Madhya Pradesh for which a closure decision was taken by the Board of Industrial and Financial Reconstruction during 1992 to 1995;

(b) the number of mills closed during the said period following the above decision;

(c) whether there is any proposal under consideration of the Government to revive the closed mills; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d). The Board for Industrial and Financial Reconstruction (BIFR) has reported that during 1992-95 it had recommended to the High Court for winding up of the following four sick industrial companies in the textile sector in the state of Madhya Pradesh:

- (i) Shel Sajjan Mills
- (ii) Gwalior Synthetics Ltd.
- (iii) Satal Woollens Pvt. Ltd.
- (iv) Jivajeerao Cotton Mills Ltd.

Subsequently, on appeal with Appellate Authority for Industrial and Financial Reconstruction (AAIFR), a scheme for rehabilitation was sanctioned by AAIFR for Shree Sajjan Mills on 29.11.1995.

[English]

Backlog of Reserved Posts

1135. SHRI K.D. SULTANPURI : Will the Minister of FINANCE be pleased to state :

(a) whether the reserved posts meant for Scheduled Castes, Scheduled Tribes and other Backward Communities have been filled up during the last three years in the Finance Ministry and in the banks;

(b) whether any backlog of posts reserved for them remains still unfilled; and

(c) if so, when that backlog is expected to be cleared?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). The information is being collected and will be laid on the Table of House.

Shortage of Coins

1136. SHRI SURESH KALMADI : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has brought to the notice of the Government of acute shortage of coins in its offices all over the country; and

(b) if so, the steps the Government propose to take to tackle the situation?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). Coins of different denomination (Rs. 5, 2, 1, 50p, 25p, 10p and 5p) are manufactured in the India Government Mints under the administrative control of this Ministry. The coins are produced keeping in view the demand of the RBI and production capacity of the mints. The temporary shortage of coins is due to the decision of the Government to completely coinise Rs. 5, 2 and 1 in currency notes and consequently increasing demand for coins in the said denominations. The decision to coinise completely Rs. 5, 2, and 1 has been taken in order to increase production of higher denominations of notes, by releasing capacity in the Note Printing Presses. Smaller denomination notes are also subjected to more frequent handling. In the case of notes this leads to much shorter life span. Coinising will lead to a much longer life for these denominations. RBI has also confirmed that there is no dearth of Rs. 5 coins which are being issued freely by the bank officers. However, there was a temporary set back in the supplies of other denomination coins (Rs. 2, 1 and 50p) from the Mints, which has now improved. The Government has already taken steps to increase the availability of coins by modernising three Mints at Mumbai, Calcutta and Hyderabad thus increasing their capacity to produce more coins in the near future.

Patent of Plants/Animals

1137. SHRI G.G. SWELL : Will the Minister of INDUSTRY be pleased to state :

(a) whether a foreign multinational has patented the wound-healing property of Haldi (turmeric);

(b) whether best of Haldi in the world grows in India especially at Meghalaya;

(c) the fallour to this patenting of Haldi;

(d) whether private companies, Indian and foreign are patenting countless number of plants and animals in India;

(e) whether the country has an inventory of its plants and animals.

(f) whether there is an intellectual property rights control regime in India; and

(g) if so, since when?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) As per the Patents Act, 1970, such patents cannot be granted in India. However, it is reported that a patent has been granted in USA for a method of promoting healing of a wound by administering turmeric powder to a patient afflicted with the wound.

(b) As per market preference, the Haldi produced in Maharashtra and Andhra Pradesh are preferred. Meghalaya also produced good quality Haldi.

(c) The patent granted in U.S.A. is valid in that country and does not have any legal effect in India.

(d) According to the provisions of the Patents Act 1970, plants and animals are not patentable in India.

(e) The Botanical Survey of India and Zoological Survey of India are responsible for the survey and inventorisation of the flora and fauna of the country respectively. Approximately 70% of the geographical area of the country has been surveyed and 45,000 plant species and 81,000 animal species have been recorded.

(f) and (g). In India, the intellectual property rights are regulated in accordance with the provisions of the Patents Act, 1970 Trade & Merchandise Marks Act, 1958, Designs Act, 1911 and Copy-right Act, 1957.

Decanalised Items and Financial Position of MMTC Ltd.

1138 SHRI ISWAR PRASANNA HAZARIKA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metals Trading Corporation of India Ltd. is continuing to import and sell which were also the decanalised items in the free market canalised earlier through it.

(b) if so, the total quantity with its value of such items imported and sold during each of the last three years, item-wise; and

(c) the gross profits/loss attributed by MMTC Ltd. during the above period?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Most of the items import of which was earlier canalised through MMTC, continue to be handled even now by MMTC.

(b) Details of such items imported and sold by MMTC during the last three years item-wise are given in statement is attached below.

STATEMENT

Items	1993-94		1994-95		1995-96 (P)	
	Qty.	Val.	Qty.	Val.	Qty.	Val.
	2	3	4	5	6	7
Qty. : '000 Tonnes Val. Rs Crores						
NON-FERROUS METALS						
Copper	16	116.0	22	201.7	24	303.2
Zinc	8	34.5	12	56.8	18	83.5
Lead	3	7.9	3	10.7	2	6.7
Nickel	2	47.0	3	78.5	4	127.4
Tin	1	18.6	1	29.5	1	41.7
Aluminium	-	-	4	26.3	12	83.8
Platinum/Palladium	-	-	-	-	negl.	1.4
INDUSTRIAL RAW MATERIALS						
Asbestos	3	6.3	3	5.6	2	4.0
Antimony Metal	-	-	-	1.4	-	1.8
Steel	18	19.3	25	26.1	-	-

1	2	3	4	5	6	7
FERTILIZER/FERTILIZER RAW MATERIALS						
Dap	-	14.2	17	13.4	75	65.9
Sulphur	145	29.9	234	66.4	203	67.3
Rock Phosphate	103	23.4	26	4.8	6	1.2
Mop	-	31.1	15	5.0	138	54.6
Total		348.2		526.2		842.5

P-Provisional

Source : MMTC

(c) The gross profit of MMTC during the last three years is given below :

(Rs. Crores)

Year	Gross Profit
1993-94	88.01
1994-95	113.46
1995-96 (P)	112.83

P-Provisional

Non-Banking Financial Companies

1139. DR. Y.S. RAJA SEKHARA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has recently set up a panel of Experts for controlling the functioning of Non-Banking Financial Companies;

(b) if so, the details thereof; and

(c) the further steps proposed to be taken for effective control of NBFCs?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India has reported that an Expert Group, under the Chairmanship of Shri P.R. Khanna, Chartered Accountant and member of the Advisory Council to the Board for Financial Supervision, was constituted by it to design a supervisory framework for the non-banking financial companies (NBFCs).

(c) Proposals have been initiated to regulate the activities of NBFCs more effectively.

Scooters India Ltd.

1140. SHRI SANAT KUMAR MANDAL : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Scooters India Ltd. (SIL) is likely to tie up soon with one of the Italy based auto major for supply of three and four wheeler engines and transfer

of technology thereon as part of its diversification plans, and

(b) if so, the stage at which the finalisation of the technical and financial tie-up stands at present?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Scooters India Limited (SIL) is exploring the possibility of transfer of technology of diesel engines and four-stroke petrol engines for its three-wheelers. However, no tie-up has been finalised.

Supply of Coal

1141. DR. T. SUBBARAMI REDDY : Will the Minister of COAL be pleased to state :

(a) whether Andhra Pradesh Government has urged the Union Government to provide additional coal supplies to the extent of 3.5 million tonnes per month;

(b) if so, whether the Union Government have considered the request of Andhra Pradesh to increase the coal supply;

(c) if so, the quantum of the coal supply increased from September 1995 onward.

(d) to what extent the requirements of the coal in thermal stations in A.P. have been met; and

(e) the reasons for not supplying the sufficient coal to these stations?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) No, Sir. However a note dated 10th September, 1995 was received from the Government of Andhra Pradesh seeking an increase of 3.5 lakh tonnes per month of coal supply for the quarter October-December, 1995 to the power stations of APSEB.

(b) to (e). The long-term linkages accorded to 5 power stations of APSEB are for supply of 11.68 million tonnes of coal per annum. This calls for an average supply of 9.7 lakh tonnes of coal per month. However, keeping in view the request made by Government of

Andhra Pradesh, allotments totaling to 10.95 lakh tonnes per month were sanctioned for the APSEB power houses for the quarter October-December, 1995. The matter was further reviewed and another additional allotment of 1.5 lakh tonnes (over and above the approved linkage for the quarter October-December, 1995) was given for the Muddanpur Thermal Power Station of APSEB for the period November-December, 1995.

The allotment for the power houses of APSEB was further increased to 12.90 lakh tonnes/month for the quarter January-March, 1996

Month-wise total dispatches made to five power houses of APSEB from September, 1995 to May 1996 as well as the % satisfaction vis-a-vis average monthly long term linkages were as follows :

Month	Actual supply of coal made to power houses of APSEB (in lakh tonnes)	% Satisfaction vis-a-vis average monthly long-term linkage.
September, 95	9.90	102%
October, 95	8.69	90%
November, 95	9.37	97%
December, 95	12.59	130%
January, 96	14.13	146%
February, 96	12.82	132%
March, 96	15.14	156%
April, 96	13.76	142%
May, 96	12.98	134%

(Data provisional)

The actual supplies of coal to the power houses of APSEB had been substantially higher than the long-term linkages given to these power houses except for the months of October and November, 95. In these two months, the level of coal supplies could not be maintained to the desired level due to an illegal strike called and supported by extremist elements in the Singareni Collieries Company Limited, which is a public sector undertaking of the Government of Andhra Pradesh.

World Bank Aid

1142. SHRI RAMA CHANDRA VEERAPPA : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has recently changed the aid strategy towards India.

(b) if so, the details thereof alongwith the reasons therefor, and

(c) the reaction of the Union Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) No, Sir.

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

[Translation]

Setting up of EOUs

1143. PROF. RASA SINGH RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) the number of proposals received by the Government for setting up export-oriented units since the liberalization of industrial policy and the number of proposals cleared out of them so far.

(b) the number of units out of them which have commenced production and the number of units which have not yet commenced production; and

(c) the total amount earned by these units from exports till March 31, 1996?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) 3632 proposals were received for setting up units under the Export Oriented Units Scheme. Since liberalization of the Industrial Policy (July, 91) out of which 2978 proposals have been cleared.

(b) and (c). The information is being collected and will be laid on the Table of the House.

[English]

Licence for Export Oriented Industries

1144. SHRI SOUMYA RANJAN : Will the Minister of INDUSTRY be pleased to state :

(a) the number of applications which are pending for issue of cent per cent export-oriented industrial licenses for more than six months, item-wise.

(b) the reasons for not taking any decision on them, and

(c) the steps proposed to be taken to take decision on them?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Thirty two applications to set up 100% Export Oriented Units in the fields of prawn Shrimp aquaculture, deep sea fishing, cotton yarn, alumina, granite products etc. are pending for more than six months.

(b) and (c). These proposals are pending due to various reasons viz. non-furnishing of clarifications by applicants, lack of recommendations of State Governments and grant of temporary injunction by Hon'ble Supreme Court.

[Translation]

Foreign Investment

1145. SHRI JAI PRAKASH AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) the details of foreign assistance/loans/grants received by the Government during the last three years alongwith the details of amount spent for repaying loans and payment of interest;

(b) the details of direct foreign investment made in the country during the last three years and the details of investment made by the Government abroad during the said period; and

(c) the details of interest received from other countries by the Government during the said period?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The details of foreign assistance/loans/grants received by the country and details of amount spent for repaying loans and payment of interest is as under

	(Rs. in crores)		
	1993-94	1994-95	1995-96 (Prov.)
Receipts			
Govt. Account	9229.90	8613.70	7646.07
Grants	885.62	916.04	1063.56
Non-Govt. Account	1665.51	1410.26	2303.19
	<u>11781.03</u>	<u>10940.00</u>	<u>11012.82</u>
Debt Service			
Payment Govt. Account			
Principal	5079.32	5469.37	6441.04
Interest	3749.41	4034.93	4414.23
	<u>8828.73</u>	<u>9504.30</u>	<u>10885.27</u>
Non-Govt. Account			
Principal	273.20	321.45	1280.00
Interest	450.00	599.72	664.00
	<u>723.20</u>	<u>921.17</u>	<u>1944.00</u>

(b) The direct foreign investment made in the country during the last three calendar years i.e. 1993, 1994 and

1995 was Rs. 1786.71, 2981.85 and 6370.16 crores respectively.

Government of India has not made any investment abroad.

(c) Does not arise.

Memorandum from National Stock Exchange Members Association

1146. SHRI PARASRAM BHARDWAJ : Will the Minister of FINANCE be pleased to state :

(a) whether the President of National Stock Exchange Members Association has submitted any memorandum regarding the turn over fee imposed by the Securities and Exchange Board of India on brokers and sub-brokers:

(b) if so, the details in this regard; and

(c) the reaction of the Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) The association has suggested that the fee should be in the range of Rs. 5000/- to Rs. 50,000/- based on turnover till the matter is decided by the Court.

(c) Since the matter is subjudice, the Court's decision will have to be awaited.

Export of Tea

1147. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of tea with its value exported during each of the last three years, country-wise; and

(b) the expected quantity of tea to be exported during the current year?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) A statement is enclosed.

(b) Target for export of tea during 1996-97 has been fixed at 180 million kgs.

STATEMENT

(Quantity : Million Kgs.)
(Value : Rs. crores)

Exports of Tea from India (Including Instant Tea) to Major Importing Countries

Country	1993-94		1994-95		1995-96	
	Qty	Val	Qty	Val	Qty	Val
1	2	3	4	5	6	7
Russian Fed.	46.50	314.97	41.06	271.94	68.05	483.80
Kazakhstan	0.07	0.45	2.68	13.74	3.56	23.23

1	2	3	4	5	6	7
Ukrain	12.30	79.15	4.28	24.16	2.79	20.00
Azerbaijan	-	-	-	-	0.03	0.23
Other CIS	0.22	1.23	1.65	9.61	3.51	20.83
Total CIS	59.09	395.80	49.67	319.45	77.94	548.09
U.K.	24.46	143.08	28.20	162.03	22.59	135.48
Ireland	1.86	10.78	2.46	14.12	2.63	18.05
Netherland	2.22	17.41	2.73	20.86	2.27	20.64
Germany	4.94	56.02	6.19	72.29	5.06	77.47
Poland	13.86	77.23	21.02	93.57	13.50	87.14
USA	5.12	46.58	6.32	53.46	3.57	29.80
Canada	0.50	2.84	0.78	4.54	0.48	3.12
UAE	13.30	107.49	13.57	107.70	16.00	130.90
Iran	5.40	33.42	2.18	14.84	1.51	12.65
S. Arabia	1.62	14.91	0.74	4.61	0.99	9.78
A.R.E.	2.73	13.85	5.32	24.10	6.22	32.07
Morocco	1.36	9.32	-	-	-	-
Afganistan	0.28	1.19	0.37	1.82	0.85	6.10
Japan	1.92	22.85	2.56	29.53	2.10	28.78
Pakistan	0.57	2.59	1.15	5.67	0.30	1.07
Australia	0.70	4.01	0.78	4.23	0.65	4.52
Other Countries	14.62	102.67	8.12	53.59	6.99	45.53
Total	154.55	1062.04	152.16	986.41	163.65	1191.19

Source : Tea Board

Performance of Banks in Karnataka

1148. SHRI S.D.N.R. WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have reviewed the performance of the public sector banks functioning in Karnataka;

(b) if so, the details thereof during each of the last three years;

(c) whether the Government proposes to open any new branch of any of these banks during 1996-97, and

(d) if so, the steps taken in that direction so far?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). Almost all public sector banks are functioning in Karnataka. The performance of five public sector banks having their Head Offices in Karnataka, with regard to the number of branches, domestic deposits, domestic advances and net profit, as reported by RBI, is given in the enclosed statement.

(c) and (d). In terms of the present branch licensing policy of RBI, the decision to open new branches/convert

extension counters into full-fledged branches is left to the discretion of the concerned banks, subject to the following criteria, amongst others:

(a) Compliance with capital adequacy of 8%

(b) a minimum owned funds of Rs.100 crores.

(c) the bank showing net profits continuously for three years.

(d) the non-performing assets not exceeding 15%.

Based on the proposals received from the banks RBI have allowed following Public Sector Banks having their Head Offices in Karnataka to open 15 branches during the period 1st April, 1996 to 30th June, 1996 as per details given below :

Name of Bank	No. of branches for opening of which permission has been granted in Karnataka
State Bank of Mysore	3
Canara Bank	3
Corporation Bank	8
Vijaya Bank	1

STATEMENT

The number of Branches, Domestic Deposits Domestic Advances and Net Profit of the Public Sector Banks functioning in Karnataka as at 31 March, 1993, 1994 and 1995

(Rs. in Crores)

Name of the Bank	No. of Branches			Domestic Deposits		
	31.3.93	31.3.94	31.3.95	31.3.93	31.3.94	31.3.95
Canara Bank	2044	2088	2120	15035	18668	21025
Corporation Bank	445	471	482	2708	4049	6059
Syndicate Bank	1553	1557	1569	8017	9286	9938
Vijaya Bank	730	777	787	3232	4240	5817
State Bank of Mysore	518	525	529	2141	2517	3138
Excluding Inter-Bank Deposits						

Name of the Bank	Domestic Advance			Net Profit (Published)		
	31.3.93	31.3.94	31.3.95	31.3.93	31.3.94	31.3.95
Canara Bank	7850	8101	10572	26.07	120.35	204.00
Corporation Bank	1234	1423	2066	4.12	27.03	72.00
Syndicate Bank	3642	3312	3693	-670.08	-299.40	-91.70
Vijaya Bank	1605	1826	2356	-97.88	4.10	31.70
State Bank of Mysore	1326	1371	1795	4.02	2.39	2.92

Expansion of Shipping Sector

1149. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether the Government are aware that several MRTP companies have entered into the shipping sector during the last few years;

(b) if so, the names of the MRTP companies which have diversified into the shipping sector during each of the last three years;

(c) the names of the MRTP companies which are already functioning in the shipping sector but have not been allowed to expand;

(d) the nature and extent of diversion/expansion allowed to each of the above companies alongwith the reasons and the years when it was allowed; and

(e) the incentives/concessions available to the MRTP companies diversifying into the shipping sector?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (e). Consequent upon deletion of Part A of Chapter III of the MRTP Act, 1969, through the MRTP (Amendment) Act, 1991, the concept of MRTP Companies is no longer in vogue. The requirements of registering such companies as MRTP companies with the Central Government or seeking its approval for their proposals

relating to diversification, expansion or new projects have also been deleted from the MRTP Act, 1969 with effect from 27-9-1991. Therefore, the Government is now not maintaining any information with regard to erstwhile "MRTP Companies" or their proposals relating to diversification, expansion or new projects.

[Translation]

Captive Coal Mines

1150. SHRI SUSHIL CHANDRA : Will the Minister of COAL be pleased to state :

(a) the places where the captive coal mines of various industries have been set up till date in the country;

(b) the industrial units which have set up captive coal mines;

(c) the number of proposals under consideration of the Union Government regarding the construction of captive coal mines; and

(d) the details of the pending cases and the time by which these will be cleared?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (b). As per the information given in the latest Coal Directory of India

(1994-95), the companywise number of captive coal mines set up till date in the country are :-

Company	No. of Captive Coal mines
IISCO	3
DVC	1
TISCO	6
Total	10

However, after the amendment to the Coal Mines (Nationalisation) Act, in June, 1993 no captive coal mines have been set up till date by companies for whom captive mining blocks have been identified

(c) and (d). Consideration of proposals for development of captive coal mines by the Screening Committee constituted in the Ministry of Coal is an on-going process and depend on various factors such as logistics of transportation, location of plant, availability of suitable identified blocks, views of the concerned Ministry/Department, receipt of complete details from the applicants etc. Therefore no specific time schedule can be indicated for decisions.

In a recent meeting of the Screening Committee, 8 proposals in the power sector and 11 in the iron & steel sector were considered. For these two sector appropriate action has also been initiated for scrutiny of 12 more proposals.

Use of Hindi

1151. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of INDUSTRY be pleased to state :

(a) whether his Ministry is lagging behind in the use of official language Hindi;

(b) if so, the reasons therefor; and

(c) the time by which the Hindi Advisory Committee is likely to be constituted?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir.

(b) Does not arise.

(c) As per the guidelines issued by the Department of Official Language, two Hindi Advisory Committees have been constituted in the Ministry of Industry - One for the Department of Industrial Policy & Promotion, Department of Industrial Development and Department of Small Scale Industries and Agro & Rural Industries and the other for the Department of Heavy Industry and Department of Public Enterprises on 11.11.1992 and 2.3.1995 respectively. The tenure of the first Committee ended on 10.11.1995 and it is being reconstituted in consultation with the Department of Official Language.

Hawala Scandal

1152. DR. RAMKRISHNA KUSMARIA :
SHRI SATYA DEO SINGH :

Will the Minister of FINANCE be pleased to state :

(a) the details of persons charge-sheeted and prosecuted in Jain Hawala Scandal so far; and

(b) the time likely to be taken in disposing of all the Hawala cases?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) As per information available, Central Bureau of Investigation (CBI) has filed 34 chargesheets against 54 persons. The Enforcement Directorate has initiated adjudication proceedings against 32 persons and filed 4 complaints against 21 persons for violation of the Foreign Exchange Regulation Act.

(b) It is not possible to give a time limit for disposing of all the hawala cases as they are all in different Courts

Tax Exemption to Companies

1153. PROF. PREM SINGH CHANDUMAJRA :
JUSTICE GUMAN MAL LODHA :
SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA :

Will the Minister of FINANCE be pleased to state :

(a) whether according to a study conducted by his Ministry, it has been found that out of 15,000 companies working in the country, 1047 companies have earned annual profit to the tune of 14040 crore rupees but all of them have been exempted from the tax liability.

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken by the Government to bring such firms under the tax net?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Data for financial year 1994-95 was collected in respect of 2452 companies listed with Bombay Stock Exchange. The analysis of the data indicated that out of 2452 companies, 1047 companies having book profit of Rs 14440 crores did not make any provision for income-tax in their books of accounts for the financial year 1994-95.

(b) The information to analyse the reasons for not creating the income-tax provisions was not collected. However, Income-tax Act provides for a number of exemptions, deductions, incentives, differential rate of depreciation in books of accounts and for computing taxable income etc. These exemptions, deductions, incentives etc. in some cases lead to NIL or marginal taxable income.

(c) As the Budget exercise is still on, it is not possible to reply to this part of the question.

Subsidy on Food Products and Fertilizers

1154. SHRI RAMESHWAR PATIDAR :
SHRI RAMASHRAYA PRASAD SINGH :
SHRIMATI SHEELA GAUTAM :

Will the Minister of FINANCE be pleased to state :

(a) whether the subsidy on items like food products and fertilizers has exceeded the budget estimates of 1995-96 by 40%;

(b) if so, the increase in subsidy component of various items in the budget estimates alongwith the reasons therefor; and

(c) the comparative figures of subsidy of budget estimates and revised estimates of the last two years?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). The information in respect of major subsidies is given below :

Major subsidies	RE 1995-96 (Rs. crore)	Percentage increase over BE	Reasons for increase
Food subsidy	5500	4.8%	Mainly due to non-revision of issue price of foodgrains.
Indigenous (Urea) fertilizers	4300	14.7%	Higher production of urea and increase in input cost.
Imported (Urea) fertilizers	1935	17.3%	Rise in international price of urea.
Export promotion & market development	315		

(c) The comparative estimates in 1993-94 and 1994-95 are given below :

Subsidies	(Rs. crore)			
	1993-94		1994-95	
	BE	RE	BE	RE
1	2	3	4	5
Food	3000	5200	4000	5100
Indigenous (U) fertilizers	3000	3800	3500	4000

	1	2	3	4	5
Imported (U) fertilizers		500	600	500	1166
Export promotion & market development		500	700	300	560

[English]

Financial Embezzlements in Banks

1155. SHRI JAGAT VIR SINGH DRONA :
SHRI DHIRENDRA AGARWAL :
PRLF. AJIT KUMAR MEHTA :
SHRI MANGAL RAM PREMI :

Will the Minister of FINANCE be pleased to state :

(a) the details of financial embezzlements another frauds that have taken place in banks in all sectors during the period from May, 1993 to October, 1995 and on 1996 so far, bank-wise;

(b) the amount involved in each of these cases;

(c) the modus-operandi adopted the number of banks employees involved therein; and

(d) the details of the steps taken to check the recurrence of such incidents and the action taken in each of these cases, bank-wise?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d). The information is being collected and will be laid on the Table of the House.

[Translation]

Cooperative Banks in Maharashtra

1156. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to state :

(a) the number of cooperative banks functioning in Maharashtra and the financial position thereof, bank-wise;

(b) the details of the proposals for setting up new cooperative banks in the State; and

(c) the action taken thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Reserve Bank of India (RBI) has reported that as on 30.6.1996, there were 440 primary (urban) co-operative banks and two State Co-operative Banks (SCBs) namely, Maharashtra State Co-operative Bank (MSCB) and Apex Co-operative Bank of Urban Banks of Maharashtra and Goa Ltd. functioning in the State of Maharashtra. They have further reported that there are 30 District Central

Co-operative Banks (DCCBs) and One Industrial Co-operative Bank in the State. Bank-wise financial position of MSCB, DCCBs and Industrial Co-operative Bank as on end February, 1996 is furnished in the enclosed statement.

(b) and (c). RBI has reported that the status of applications received for setting up new primary co-operative banks in Maharashtra as on 30.6.1996 is

as follows :

Total proposals received	218
Proposals Cleared for registration	148
Proposals rejected	34
Proposals pending	36
License issued	68

STATEMENT

Financial particulars in respect of SCBs/CCBs in Maharashtra as at the end of February, 1996

		(Rs. Lakhs)			
Name of Bank	Paid-up-Capital	Reserve Funds	Deposits	Loans & advances	
1. Maharashtra State Cooperative Bank	4896.16	54547.13	342424.39	330159.67	
Central Cooperative Bank					
2. Ahmednagar	1533.75	2649.92	42019.63	53847.92	
3. Akola	833.21	889.16	18766.56	12026.82	
4. Amravati	911.94	609.41	12838.24	9001.53	
5. Aurangabad	1159.00	1012.63	10680.69	24322.30	
6. Bhandara	404.18	303.02	7362.83	6054.75	
7. Beed	734.14	1061.74	6432.30	11793.67	
8. Buldhana	736.72	717.99	10777.64	10655.92	
9. Mumbai	1969.18	5268.18	88212.96	50702.32	
10. Chandrapur	519.84	417.59	9389.27	5446.11	
11. Dhulia	1371.32	1408.88	13383.66	18969.36	
12. Jalgaon	2949.84	1700.20	35456.81	43127.85	
13. Jalna	656.77	393.76	4873.81	8712.65	
14. Kolhapur	2198.36	1819.35	43351.65	55273.94	
15. Nagpur	531.01	1129.02	12536.13	9288.53	
16. Nasik	1784.38	1812.35	34532.61	35913.70	
17. Nanded	1351.62	626.42	13166.77	22579.00	
18. Osmanabad	1175.88	517.06	9387.60	15914.00	
19. Parbham	1479.55	578.01	14547.88	17519.35	
20. Pune	2879.40	2908.33	69917.36	49799.82	
21. Ratnagiri	376.81	970.13	8665.64	9387.89	
22. Raigad	299.88	652.10	12993.67	9660.78	
23. Sangli	1461.51	1713.73	34306.29	41027.18	
24. Satara	1063.10	1536.66	34903.11	32860.08	
25. Solapur	1705.10	1617.33	26857.96	30222.23	
26. Solapur Dist. Ind. Coop.	153.20	260.35	2987.66	3749.03	
27. Sindhudurg	233.55	698.88	8546.40	2862.74	
28. Thane	336.16	3773.76	38129.02	13332.01	
29. Wardha	237.78	420.62	9817.28	4862.54	
30. Yavatmal	1043.06	602.51	12307.71	10610.97	
31. Latur	1101.88	732.55	11817.69	15820.57	
32. Gadchiroli	124.39	303.19	2510.00	1423.22	

Hawala Transactions

1157. SHRI PRAMOD MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to a statement made by the then Minister for Environment as reported in the 'Dainik Jagran' of March 24, 1996 in which he has said that since the constitution of Vohra Committee on criminalisation of politics there has been an inflow of Rs. 60 thousand crores into India as a result of the smuggling of narcotics and mafia and hawala activities;

(b) if so, the details thereof;

(c) whether the Minister has also said that the politicians should declare their assets and the system of political contribution should be made transparent; and

(d) if so, the action taken so far on these matter?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). There is no information with the Government to substantiate the statement reported to have been made by the then Minister for Environment.

(c) and (d). The Ministry of Finance has no comment on the political views of a Minister. The Income Tax Act and the Wealth Tax Act apply to every person.

Closure of Distillery Branch of Cawnpore Sugar Works Limited

1158. SHRI RAJIV PRATAP RUDY : Will the Minister of TEXTILES be pleased to state :

(a) whether Marhowrah Distillery Branch of the Cawnpore Sugar Works Limited is closed since 1992;

(b) if so, the reasons therefor;

(c) whether the closure of the distillery has caused huge loss of revenue to the Government;

(d) if so, the details thereof; and

(e) the action taken by the Government to restart the distillery?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). The Marhowrah Distillery Plant of Cawnpore Sugar Works Limited has been lying closed since March, 1992, under instruction of the Pollution Control Board as the distillery does not have an Effluent Treatment Plant.

(c) and (d). At the time of closure, the Company was contributing revenue to the extent of Rs.3.84 crores to the State Government and Rs. 0.08 crores to the Central Government.

(e) Since Cawnpore Sugar Works Limited is not a Government Company no proposal has been prepared

by the Government regarding restart of the Marhowrah Distillery.

[English]

Weekly Holidays in Banks

1159. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether it is proposed to advise all banks to observe their weekly off uniformly i.e. on Sundays and open their banks on half-days on the days when the markets in their areas observe weekly holiday; and

(b) if so, the details thereof alongwith the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India and Indian Banks' Association have reported that at present they have no proposal in this regard. However, individual banks decide about the weekly-off in their branches based on the location of the branch, business potential, customer needs, etc. and advice, if any, of the State Government.

World Bank Loan

1160. SHRI DHIRENDRA AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) the number of projects for which loans have been sanctioned by the World Bank alongwith the amount of loans during each of the last three years; and

(b) the time by which the loan amount is likely to be received for these projects?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The number of projects for which loans have been sanctioned by the World Bank alongwith the amount of loans/credits during the year 1993-94, 1994-95 and 1995-96 is as follows :-

(In US \$ M)

Year	Number of Projects	Amount
1993-94	10	1111.25
1994-95	09	1913.98
1995-96	07	1369.10

(b) These projects are already being implemented and receipt of assistance from the World Bank depends on the pace of expenditure on project implementation. The entire amount of assistance is targetted to be received by the close of the project cycle which is normally 5 to 7 years.

Income Tax Defaulters

1161. SHRI RADHA MOHAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) the names of the 50 top tax defaulters in the country who own Incoem-Tax/Wealth-Tax showing position as on July 1, 1996; and

(b) the steps taken or proposed to be taken to realise the outstanding dues from these defaulters?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) As per latest available information, the names of top 50 assesses against whom maximum Incoem-tax/Wealth-tax demand remained outstanding as on 31.3.1996, are given in the enclosed statement. The amount outstanding is also indicated against their names.

(b) Various actions prescribed under the Income-tax Act, e.g. attachment of movable and immovable properties of defaulters, prosecution, imposition of penalties, detention in prison, appointment of receiver for management of defaulter's properties are taken for recovery of the outstanding demand. Besides, various steps are taken to effect recovery of demand including grant of instalments and where issues are locked up in appeal, appellate authorities are requested to dispose of the appeals expeditiously.

In the cases of arrears of tax due from Notified persons involved in securities scam, as per provisions of the Special Court Act all properties, both movable and immovable, belonging to the Notified persons stand attached simultaneously with the issue of the Notification. Therefore, in respect of all demands that have since fallen into arrear, the Department has filed applications with the Special Court for issue of directions to the Custodian to release funds against the tax dues.

STATEMENT

S.No.	Name of the assessee	Amount outstanding (Rs. in crore)	
		I.T.	W.T.
1	2	3	4
1.	Shri Harshad S. Mehta	5134.86	103.98
2.	Shri Hiten P. Dalal	1542.88	34.26
3.	Shri Bhupendra C. Dalal	726.69	32.09
4.	Shri Ashwin S. Mehta	632.45	19.74
5.	Smt. Jyoti H. Mehta	591.67	20.41
6.	Sh. A.D. Narottam	501.31	18.00
7.	M/s Peerless General Finance & Investment Co. Ltd.	440.23	

1	2	3	4
8.	M/s Growmore Research & Assets Managment Ltd.	316.34	
9.	M/s Punjab National Bank	249.83	
10.	M/s Laxmi Distributors (P) Ltd.	198.99	
11.	M/s United Bank of India	171.49	
12.	M/s GIC Industries Ltd.	168.22	
13.	M/s Cascade Holdings (P) Ltd.	164.76	
14.	M/s Banque National De Paris	162.22	
15.	Shri S. Ramaswamy	144.85	
16.	Shri B.S. Gandhi	139.55	2.56
17.	M/s Dhanraj Mills Ltd.	136.24	
18.	Shri S.M. Khandar	130.19	
19.	Shri Niranjana J. Shah	129.16	6.00
20.	M/s Growmore Leasing & Investment (P) Ltd.	124.22	
21.	M/s Reliance Industries Ltd.	123.19	
22.	Shri J.P. Gandhi	102.32	2.11
23.	Shri Pallav S. Sheth	101.81	
24.	M/s Metropolitan Co-op. Bank Ltd.	94.64	
25.	Shri Sudhir S. Mehta	92.05	6.89
26.	M/s ICICI Ltd.	73.81	
27.	M/s Larsen & Toubro	70.40	
28.	M/s Bank of India	65.06	
29.	M/s Hindustan Zinc Ltd.	62.95	
30.	Shri K.N. Shaikh	61.60	
31.	Smt. Pratima S. Mehta	62.59	3.97
32.	Indian Register of Shipping (AOP)	60.42	
33.	M/s Vishvasraya Industrial R & D Centre (A.O.P)	58.03	
34.	Smt. Deepika A. Mehta	57.58	4.80
35.	Shri Hitesh S. Mehta	55.04	5.45
36.	M/s Deutsche Bank A.G.	52.81	
37.	M/s Tata Chemicals Ltd.	52.17	
38.	M/s Sahara India Savings & Investment Corp. Ltd.	51.04	
39.	M/s Garden Reach Ship Builders & Engineers Ltd.	48.16	
40.	M/s D.B. Financial Services (India) Ltd.	48.06	
41.	E.C.G.C of India Ltd.	46.86	
42.	M/s Fairgrowth Financial Services Ltd.	46.61	

1	2	3	4
43.	Smt. Rasila S. Mahta	46.34	
44.	M/s East West Travel & Trade Links Ltd.	45.03	
45.	Aparna Ashram	45.02	
46.	Late Sh. K.G. Bhagat	43.53	
47.	M/s Canara Bank	43.37	
48.	M/s Oman International Bank (Sayog)	40.68	
49.	M/s Northern Coal Fields Ltd	39.99	
50.	M/s J.K. Corporation Ltd.	38.77	

[English]

Foreign Collaboration

1163. SHRI K. PRADHANI : Will the Minister of INDUSTRY be pleased to state :

(a) the details of foreign collaboration proposals regarding the consumer goods approved by the Union Government during 1992-93, 1993-94 and 1994-95; and

(b) the total value of foreign collaboration proposals approved during the above period, sector-wise and state-wise, particularly in Kutch region of Gujarat?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Under the Policy governing Foreign Investment, 22 specified consumer sectors invite the conditions of dividend balancing i.e. repatriation of profits (dividends) over a 7 years period must be balanced by export earnings. Details of the foreign collaboration proposals including in consumer goods sector in the year 1992, 1993, 1994 and 1995 are as under :-

Year	Total No. of FC Approvals	Technical (Nos.)	Financial (Nos.)
1992	1520	828	692
1993	1476	691	785
1994	1854	792	1062
1995	2337	982	1355

(b) Details of foreign collaboration proposals approved both sector-wise and state-wise and total amount of foreign investment approved including Kutch region of Gujarat is given in the enclosed Statement-I and Statement-II.

[Translation]

Study Group of Waive Income-Tax

1162. SHRI KASHI RAM RANA : Will the Minister of FINANCE be pleased to state :

(a) whether study group set up to waive income tax with a view to achieve the development of the backward areas had since submitted its report;

(b) if so, the salient features thereof; and

(c) the steps taken by the Government to implement the report so far?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) and (c). The study Group set up for identification of industrially backward districts had submitted its report in October, 1994 which is under review by the Government.

STATEMENT-I

List of Industry Wise Break-up of Foreign Collaboration cases approved by the Government from 01/01/92 to 31/12/95

(Rs. in Crores)

S.No.	Name of Industry	Total				
		Total	Tech	Fin	Amount	
1	2	3	4	5	6	7
1.	Mettallurgical Industries					
	Ferrous	191	122	69	3256.48	5.53
	Non-Ferrous	51	22	29	768.10	1.30
	Special Alloys	26	15	11	24.69	0.04
	Misc. (Other Items)-Metallurgy	22	16	6	46.66	0.08
	Total	290	175	115	4095.92	6.95

1	2	3	4	5	6	7
2.	Fuels					
	Power	20	1	19	6411.08	10.88
	Oil Refinery	81	37	44	4558.15	7.73
	Other (Fuels)	57	20	37	731.14	1.24
	Total	158	58	100	11700.37	19.85
3.	Boilers And Steam Generating Plants	46	27	19	95.87	0.16
4.	Prime Movers Other Than Electrical	28	18	10	17.54	0.03
5.	Electricals Equipment					
	Electrical Equipment	777	492	285	1226.13	2.08
	Computer Software Industry	291	32	259	945.29	1.60
	Electronics	175	63	112	504.40	0.86
	Others (S/W)	16	8	8	6.15	0.01
	Total	1259	595	664	2681.96	4.55
6.	Telecommunications					
	Telecommunications	121	60	61	730.55	1.24
	Radio Paging	33	1	32	419.76	0.71
	Cellular Mobile Telephone Service	74	1	73	16858.32	28.60
	Total	228	62	166	18008.62	30.56
7.	Transportation Industry					
	Automobile Industry	251	168	83	1295.99	2.20
	Air/Sea Transport	44	5	39	1213.24	2.06
	Passenger Cars	7	0	7	400.53	0.68
	Others (Transport)	26	16	10	44.83	0.08
	Total	328	189	139	2954.59	5.01
8.	Industrial Machinery	627	431	196	1389.44	2.36
9.	Machine Tools	77	42	35	57.71	0.10
10.	Agricultural Machinery	21	16	5	161.40	0.27
11.	Earth-Moving Machinery	30	20	10	12.89	0.02
12.	Miscellaneous Mechanical & Engineering	239	113	126	251.27	0.43
13.	Commercial Office & Household Equipment	42	20	22	291.18	0.49
14.	Medical And Surgical Appliances	29	10	19	170.36	0.29
15.	Industrial Instruments	75	41	34	59.45	0.10
16.	Scientific Instruments	31	10	21	45.21	0.08
17.	Mathematical Surveying And Drawing	1	0	1	0.12	0.00
18.	Fertilizers	34	32	2	2.65	0.00
19.	Chemicals (Other Than Fertilizers)	759	455	304	3423.55	5.81
20.	Photographic Raw Film And Paper	9	4	5	24.88	0.04
21.	Dye-Stuffs	10	2	8	25.73	0.04
22.	Drugs And Pharmaceuticals	156	89	67	408.95	0.69
23.	Textiles (includ Dyed, Printed)	282	68	214	1549.48	2.63
24.	Paper And Pulp Including Paper Product	76	41	35	454.30	0.77

1	2	3	4	5	6	7
25.	Sugar	2	0	2	53.50	0.09
26.	Fermentation Industries	42	12	30	788.04	1.34
27.	Food Processing Industries					
	Food Products	362	80	282	2136.36	3.62
	Marine Products	76	15	61	77.08	0.13
	Miscellaneous (Food Prod)	2	0	2	8.00	0.01
	Total	440	95	345	2221.44	3.77
28.	Vegetable Oils And Vanaspati	24	2	22	42.47	0.07
29.	Soaps, Cosmetics And Toilet Preparations	19	5	14	83.07	0.14
30.	Rubber Goods	90	55	35	116.16	0.20
31.	Leather, Leather Goods and Pickers	102	23	79	136.41	0.23
32.	Glass	29	13	16	378.71	0.64
33.	Ceramics	118	38	80	367.80	0.62
34.	Cement and Gypsum Products	34	17	17	385.76	0.65
35.	Timber Products	5	1	4	6.37	0.01
36.	Defence Industries	3	3	0	0.00	0.00
37.	Consultancy Services					
	Design & Eng. Services	95	21	74	125.23	0.21
	Management Services	33	6	27	34.91	0.06
	Marketing	15	3	12	2.65	0.00
	Construction	3	2	1	4.00	0.01
	Other (Consultancy Service)	9	0	9	5.11	0.01
	Total	155	32	123	171.90	0.29
38.	Service Sector					
	Financial	104	1	103	1237.81	2.10
	Non-Financial Services	145	8	137	1181.69	2.01
	Banking Services	8	0	8	113.88	0.19
	Other Services	13	2	11	660.48	1.12
	Total	270	11	259	3193.86	5.42
39.	Hotel & Tourism					
	Hotel & Restaurants	118	43	75	1876.85	3.18
	Tourism	21	4	17	3.54	0.01
	Total	139	47	92	1880.39	3.19
40.	Trading Co.	158	0	158	119.62	0.20
41.	Miscellaneous Industries					
	Horticulture	47	24	23	26.37	0.04
	Agriculture	62	33	29	58.65	0.10
	Floriculture	128	46	82	95.15	0.16
	Other (Misc Industries)	484	318	166	927.83	1.57
	Total	721	421	300	1108.00	1.88
	Total	7186	3293	3893	58936.95	

STATEMENT-II

*Statewise Report for Foreign Direct Investment Cases
Approved by All Sections for the Period January
1992 to December 1995*

State	Jan'92-Dec'95	
	No.	Inves. (Rs. Crore)
Delhi	328	14551.86
Maharashtra	540	9283.95
West Bengal	120	4099.51
Tamil Nadu	367	3027.32
Gujarat	166	2619.76
Orissa	29	1919.74
Karnataka	264	1739.87
Andhra Pradesh	209	1514.28
Madhya Pradesh	68	1033.63
Uttar Pradesh	136	891.75
Punjab	46	753.15
Haryana	185	579.55
Rajasthan	97	479.06
Himachal Pradesh	18	296.11
Pondicherry	21	196.40
Goa	23	96.92
Kerala	35	90.81
Bihar	14	80.82
Chandigarh	10	72.36
Dadra & Nagar Haveli	13	63.15
Arunachal Pradesh	2	11.06
Daman & Diu	6	5.48
Assam	4	1.50
Andaman & Nicobar	5	0.98
Tripura	1	0.68
Lakshadweep	1	0.50
Others	1185	15526.77
	3893	58936.95

Export-Oriented Units in Rajasthan

1164 SHRIMATI VASUNDHARA RAJE : Will the Minister of INDUSTRY be pleased to state :

(a) the number of large and medium industrial units set up in public sector in Rajasthan;

(b) how many of them are export-oriented units;

(c) whether the Government propose to set up some more export-oriented units in that state; and

(d) if so, the details of the programme made in this regard for 1996-97?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). As on 31.3.1994 upto which

period only information is available, there were six Central Public Sector Enterprises with their registered Office in the State of Rajasthan and none of them is export oriented unit.

(c) and (d). There is no proposal at present to set up new industries at grass root level in public sector in Rajasthan during 8th Five Year Plan.

[Translation]

Lokayukta Institution.

1165. SHRI SATYA DEO SINGH :

SHRI VINAY KATIYAR :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Lokayukta institution in U.P. has hardly made any contribution in containing corruption in the State;

(b) if so, whether any action has been taken by the Government for removal of short comings in the Lokayukta institution; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALP) : (a) to (c). The information is being collected and will be laid on the Table of the House

Recovery of Loan

1166 SHRI MAHESH KUMAR M. KANODIA : Will the Minister of FINANCE be pleased to state :

(a) the comparative details in regard to the recovery of loans from industrial and agricultural sectors as on April 30, 1996;

(b) whether the amount of bank loans being given to the industrial sector is increasing as compared to the agricultural sector; and

(c) if so, the reasons for ignoring agricultural sector in the matter of granting loans?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) As per information available from Reserve Bank of India (RBI), overdues as a percentage of outstanding advances of public sector banks as on September 1994 (latest available) were as follows :

Large and medium industries	15.76%
Small Scale Industries including industrial estates	24.46%
Agriculture	24.95%

(b) On the basis of provisional data on sectoral deployment of credit, the RBI has reported that the

average annual rate of growth of bank credit to agriculture during 1980-81 to 1994-95 stood at 14.7 per cent whereas the annual rate of growth for industry (small, medium and large scale) stood at 15.9 per cent during the same period.

(c) RBI has further reported that the rate of growth of bank credit to a sector may vary depending on both the level of production of that particular sector as well as on its capacity to absorb additional credit. Since credit intensity of agriculture is different from industry, utility of comparative statistics of this kind is at best limited.

However, a number of steps have been taken to increase the flow of credit to agricultural sector which, inter alia, include :-

- (i) Within the overall target of 40 per cent to priority sector, 18 per cent of net bank credit is earmarked for agriculture. Public Sector Banks which have not achieved the agricultural lending sub-target of 18 per cent of net bank credit as on the last Friday of December, 1994, are required to make contributions to the Rural Infrastructural Development Fund equivalent to the short fall in achieving the sub-target subject to a maximum of 1.5 per cent of their net bank credit;
- (ii) Prescription of scales of finance for crop loans worked out for each district and their uniform adoption by banks;
- (iii) Disposal of loan applications upto Rs.25,000/- within a fortnight and those over Rs. 25,000/- within 8 to 9 weeks;
- (iv) Commercial banks to set up at least one specialised Agricultural Finance Branch in each State to deal with high tech agricultural loans;
- (v) Introduction of the Agricultural Credit Card for farmers with good track record to enable them to secure production credit from banks without procedural formalities each season; and
- (v) Delegation of appropriate sanctioning powers to the rural branch managers so that majority of loan applications from weaker sections are sanctioned at branch level itself.

Value of Imported Items

1167. SHRI NITISH KUMAR : Will the Minister of COMMERCE be pleased to state :

(a) whether the import value of major items such as petroleum, steel and capital goods has increased during 1995-96;

(b) if so, the details thereof and its impact on foreign trade; and

(c) the percentage of import of the above items/goods out of the total import in the country during 1995-96?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). As per available data from DGCI&S the import values in dollar terms in respect of petroleum, steel and capital goods during 1995-96 are given below together with the percentage change over the previous year;

Import Value of Items	(US \$ Million)	
Commodities	1995-96	Percentage change over previous year
Petroleum	7537.43	27.15%
Steel	1478.83	27.10%
Capital Goods	5794.07	34.54%

(c) The value of imports in dollar terms of the above three items constituted around 40.7% of the total imports during 1995-96.

[English]

ADB Loan

1168. SHRI PANKAJ CHOWDHARY :
SHRI AMAR PAL SINGH :
SHRI PRABHU DAYAL KATHERIA :

Will the Minister of FINANCE be pleased to state :

(a) whether United States of America has put a ban on loan to be released to India from Asia Development Fund of Asian Development Bank;

(b) if so, the reasons therefor;

(c) whether any action has been taken by the Government in this regard; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d). As India did not have access to the Asia Development Fund since its inception in 1974, the question of ban does not arise.

Drugs And Antiques Smuggling

1169. SHRI RAM KRIPAL YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the smuggling of drugs and antiques through Foreign Post Offices has come to the light;

(b) if so, the details thereof;

(c) the number of drugs and antique smuggling cases registered during 1995 and 1996; and

(c) the action taken by the Government to identify the racket involved?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d). The information is being collected and will be laid on the Table of House.

Loans to Cooperative Spinning Mills

1170. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Maharashtra has urged the Union Government to sanction long term loan to cooperative spinning mills of the State.

(b) if so, the details of the spinning mills for which long term loan has been sought by the State Government, and

(c) the reaction of the Union Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Government of Maharashtra has written to Government of India for processing of applications by the financial institutions (FIs) received by them from co-operative spinning mills for setting up new grass root spinning mills in the State of Maharashtra

(b) The Industrial Development Bank of India (IDBI) has received 14 applications and Industrial Finance Corporation of India Limited (IFCI) has received 20 applications from the co-operative spinning mills in Maharashtra for setting up of grass root spinning mills. Information with regard to Industrial Credit and Investment Corporation of India Ltd. (ICICI) is not readily available.

(c) IDBI has reported that these applications have been kept in abeyance due to a joint institutional decision that the matter of financing grass root spinning mills could be considered after the institutional overdues in respect of existing assisted co-cooperative spinning mills in Maharashtra are cleared

[Translation]

Demand of Employees of Rural Banks

1171. DR. SATYANARAYAN JATIA :
PROF. RASA SINGH RAWAT :

Will the Minister of FINANCE be pleased to state :

(a) the objective setting up of the Regional Rural Banks and the extent to which the objectives are being fulfilled in the present context.

(b) the comparative status of these banks in terms of similarities and dissimilarities with other nationalised banks, and

(c) the major demands put forth by the employees of these banks and the steps taken so far to meet their demands?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Regional Rural Banks (RRBs) were set up with the following objectives :

- (i) To take banking services to the door steps of rural masses particularly in hitherto embanked far flung rural areas;
- (ii) To make available institutional credit to the weaker sections of the society;
- (iii) To mobilise rural savings and channelise them for supporting productive activities in rural areas;
- (iv) To create a supplementary channel for flow of credit from the central money market to the rural areas;
- (v) To generate employment opportunities in rural areas; and
- (vi) To bring down the cost of purveying credit in rural areas.

The deposit mobilised by RRBs stood at about Rs. 11,150 crores as on 31.3.1995 and the outstanding advances stood at Rs.6,290 crores in about 126 lakhs borrowal accounts as on 31.3.1995.

(b) The RRBs are in a class quite apart from the nationalised banks. The differences between RRBs and nationalised banks inter-alia include the following :

RRBs are governed by the RRBs Act, 1976 while the nationalised banks are governed by Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 :

- (i) The equity of the RRBs is statutorily required to be subscribed by Government of India, sponsor banks and State Governments in the ratio of 50:35:15; whereas in nationalised banks Government of India is required to subscribe to at least 51% of the equity.
- (ii) The area of operation of RRBs is to be notified by the Central Government while the nationalised banks may open branches any where subject to branch licensing policy of the Reserve Bank of India (RBI).
- (iii) There are several other differences in operational discipline (like maintenance of Cash Reserve Ratio/Statutory Liquidity Ratio), the clientele catered to and the type of business normally conducted.

(c) The demands raised by the some of Unions/Associations of employees of RRBs inter-alia includes:

- (i) Restructuring of RRBs by setting up National Rural Bank or Zonal Rural Banks; and
- (ii) Extension of Vith Bipartite Settlement.

As far as restructuring of RRBs is concerned, Government have taken a decision to revamp them on a 'Stand Alone' basis. Further, demands regarding benefits to staff involving financial commitments have to be seen in the context of the ongoing exercise of restructuring of RRBs. The RBI has constituted an Expert Group to advise on the restructuring exercise on an ongoing basis.

[English]

Voting rights to Indian Citizens

1172. SHRI AMAR ROY PRADHAN : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the matter regarding allowing Indian citizens living in Indian Enclaves in Bangladesh to cast their votes is pending with the Government/Election Commission of India;

(b) if so, since when; and

(c) the steps taken/proposed to be taken by the Government to take a decision on the issue at the earliest?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c). The requisite information is being collected and will be laid on the Table of the House.

White Paper On Economy

1173. SHRI AMAR PAL SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to issue 'White Paper' on the Indian Economy of the States;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). Economic Survey 1995-96; an update, would be presented to the Parliament today. It would give a synoptic view of the current state of the Indian economy.

Foreign Investment

1174. DR. LAXMINARAYAN PANDEY : Will the Minister of INDUSTRY be pleased to state :

(a) the details of the foreign auto (car) companies which are likely to set up manufacturing units in India;

(b) the present status of their projects and the foreign investment envisaged in each case;

(c) the details of generation of revenue expected through these units and whether these companies have made any expert commitments;

(d) if so, the details thereof;

(e) whether the Government are aware of the wide-spread perceptions that the foreign investors are manoeuvring to acquire complete managerial control in these joint venture companies; and

(f) if so, the steps the Government propose to take to safeguard domestic interests?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). The details of foreign auto car companies which have set up or are likely to set up manufacturing units in India, their investment and the status of the projects are as under :

S.No.	Name of Foreign Company	Indian Partner	Foreign Equity holding	Present status
1.	Mercedes Benz, Germany	M/s. TELCO	51%	Production commenced
2.	Daewoo, Korea	M/s. DCM	51%	-do-
3.	Peugeot, France	M/s. Premier Automobile Ltd.	50%	-do-
4.	General Motors, USA	M/s. Hindustan Motors	50%	-do-
5.	Ford Motors, USA	M/s. Mahindra & Mahindra	50%	Production expected to commence by the end of 1996-97
6.	Rover Group, UK	M/s. Sipani Auto	2.59%	-do-
7.	Honda Motors, Japan	M/s. SIEL	60%	-do-
8.	Mitsubishi, Japan	M/s. Hindustan Motors	10%	-do-
9.	Hyundai, Korea	-	100%	Production expected to commence by 1997-98
10.	BMW, Germany	M/s. Hero Cycles Ltd.	51%	cleared by FIPB

(c) and (d). Revenue expected to be generated by these units would depend on the build up of their production from year to year. As per current policy, Government is no longer imposing any export obligation on these companies. However, some automobile companies have entered into Memorandum of Understanding alongwith projections of their exports.

(e) and (f). The foreign companies having majority shareholding in the joint ventures would be entitled to have majority on the Board of Directors as per the established policy. This does not however, preclude Indian partners from having any control at all in the joint venture.

Penal Interest on Income Tax

1175. SHRI PRABHU DAYAL KATHERIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have recently reduced penal interest on late filing of income tax returns and also on defaults in payment of advance tax; and

(b) if so, the details thereof alongwith the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) A copy of the order issued in the matter is enclosed as Statement. The order has been issued in order to avoid undue hardship to the assesses

STATEMENT

F.No.400/234/95-IT(B)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

New Delhi, the 23rd, May, 1996.

Order Under Section 119(2) (a) of the Income-tax Act, 1961

In exercise of the powers conferred under clause (a) of sub-section (2) of section 119 of Income-tax Act, 1961, Central Board of Direct Taxes, hereby direct that the Chief Commissioner of Income-Tax and Director-General of Income-tax may reduce or waive interest charged under section 234A, or section 234B or section 234C of the Act in the classes of cases or classes of income specified in paragraph 2 of this Order for the period and to the extent the Chief Commissioner of Income-tax/Director-General of Income-tax deem fit. However, no reduction or waiver of such interest shall be ordered unless the assessee has filed the return of income for the relevant assessment year and paid the

entire tax due on the income as assessed except the amount of interest for which reduction or waiver has been requested for. The chief Commissioner of Income-tax or Director-General of Income-tax may also impose any other conditions deemed fit for the said reduction or waiver of interest.

2. The class of incomes or class of cases in which the reduction or waiver of interest under section 234A or section 234B or, as the case may be, section 234C can be considered, are as follows :

- (a) Where during the course of proceedings for search and seizure under section 132 of the Income-tax Act, or otherwise, the books of account another incriminating documents have been seized and for reasons beyond the control of the assessee, he has been unable to furnish the return of income for the previous year during which the action under section 132 has taken place, within the time specified in this behalf and the Chief Commissioner or, as the case may be, Director-General is satisfied having regard to the facts and circumstances of the case that the delay in furnishing such return of income cannot reasonably be attributed to the assessee.
- (b) Whether during the course of search and seizure operation under section 132 of the Income-tax Act, cash is seized which is not allowed to be utilised for payment of advance tax instalment or installments as they fall due after the seizure of cash and the assessee has not paid fully or partly advance tax on the current income and the Chief Commissioner or the Director General is satisfied that the assessee is unable to pay the advance tax.
- (c) Any income chargeable to income-tax under any head of income, other than 'Capital gains' is received or accrued after due date of payment of the first or subsequent instalments of advance tax which was neither anticipated nor was in the contemplation of the assessee and the advance tax on such income is paid in the remaining instalment or instalments and the Chief Commissioner or Director General is satisfied on the facts and circumstances of the case that this is a fit case for reduction or waiver of interest chargeable under section 234C of the Income-tax Act.
- (d) Where any income which was not chargeable to income-tax on the basis of any order passed in the case of an assessee by the High Court within whose jurisdiction he is assessable to income-tax, and as a result,

he did not pay income-tax in relation to such income in any previous year and subsequently, in consequence of any retrospective amendment of law or as the case may be the decision of Supreme Court in his own case, which event has taken place after the end of any such previous year, in any assessment or re-assessment proceedings the advance tax paid by the assessee during the financial year immediately preceding the relevant assessment year is found to be less than the amount of advance tax payable on his current income the assessee is chargeable to interest under section 234B or section 234C and the Chief Commissioner or Director General is satisfied that this is a fit case of reduction or waiver of such interest.

- (e) Where a return of income could not be filed by the assessee due to unavoidable circumstances and such return of income is filed voluntarily by the assessee or his legal heirs without detection by the assessing officer.

3. The Chief Commissioner of Income-tax/Director-General of Income-tax may order the waiver or reduction of interest under section 234A, 234B, and 234C under this order with reference to the assessment year 1989-90 or any subsequent assessment year but shall not so reduce or waiver penal interest in those cases where waiver or reduction of such interest has been rejected in the past on the merits of the case. If any petition in the past has been rejected because the Board had not issued this direction earlier, these may be reconsidered and decided in accordance with this order.

Sd/-

(Y.P. Vashishat)
Under Secretary
Central Board of Direct Taxes

Copy to :

1. All Chief Commissioner/Director-General of Income-tax
2. All Directors of Income tax.
3. C&AG of India (40 Copies)
4. Joint Secretary & Legal Adviser, Ministry of Law, Shastri Bhavan, New Delhi
5. Bulletin Section, Directorate of Income tax (RSP&PR), New Delhi

Sd/-

(Y.P. Vashishat)
Under Secretary
Central Board of Direct Taxes

India's Share in World Trade With WTO Agreement

1176. SHRI K.C. KONDAIAH : Will the Minister of COMMERCE be pleased to state :

(a) whether India has increased its share of world trade and improved its world ranking both as an exporter and as an importer according to recent provisional world trade organisation data;

(b) if so, the details thereof; and

(c) the action proposed to be taken to improve its position during the next two or three years?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). According to available WTO statistics, India's share and ranking as exporter and importer in world merchandise trade during 1994 and 1995 improved as follows :

	%Share		Rank	
	1994	1995	1994	1995
Exporter	0.6	0.6	32	31
Importer	0.6	0.7	29	28

(c) Increased exports would improve India's share in world trade and its rank as exporter. Therefore, export promotion measures are continuously being taken by the Government through policy and promotional schemes. These includes implication of export import procedures, improving efficiency & competitiveness, focusing on quality and technology upgradation and efforts to actively involve the State Governments in export promotion. Export promotion is a continuing activity based on an interaction with industry, trade and other export promotional institutions

Proposal From Foreign Investors

1177. DR. KRUPASINDHU BHOI
SHRI SANDIPAN THORAT

Will the Minister of INDUSTRY be pleased to state :

(a) whether a large number of proposals from the foreign investors are pending before the Foreign Investment Promotion Board.

(b) if so, the details thereof;

(c) the steps taken by the Board to take decision on those proposals.

(d) the total number of projects for Foreign Investment cleared by the FIPB during the last three years and the actual investment made/materialised; and

(e) the total number of approved projects which have yet to be started or materialised?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Total of 424 proposals are pending from the Foreign Investors for consideration of the Foreign Investment Promotion Board.

(c) In order to provide expeditious clearance of Foreign Investment proposals, as also to have a transparent effective & investor-friendly single window clearance, Govt. have reconstituted the FIPB. The recommendation of the FIPB in respect of the project-proposals each involving a total investment of Rs. 600 crores or less would now be considered and approved by the Industry Minister. The FIPB was reconstituted on 10.7.96 and has had two meetings since then on 12th and 13th July, 96. The Govt. has approved 84 pending cases on 16.7.96.

(d) Foreign Investment Promotion Board have cleared 2103 projects for foreign investment during the last three years i.e. 1994, 1995 & 1996 involving a total investment of Rs.550.4 billions.

(e) Such information is not centrally maintained.

[Translation]

Private Banks in Maharashtra

1178 SHRI KACHARU BHAU RAUT : Will the Minister of FINANCE be pleased to state :

(a) the number of private banks functioning in Maharashtra location-wise;

(b) the details of the pending proposals for opening private banks in the state, and

(c) the time by which a final decision is likely to be taken thereon and the criteria being followed in granting such approval?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Reserve Bank of India (RBI) has reported that there are 8 private sector banks having their registered head offices in Maharashtra and 19 other private sector banks are having their branches in Maharashtra. Details of these banks are given in Statement-I and Statement-II, enclosed

(b) and (c) As reported by Reserve Bank of India (RBI) the following applications were pending as on 30th June, 1996 for opening private sector banks in the State of Maharashtra

S No.	Name of the Promoter	Proposed Head Office at
1	2	3
1.	Jain Group of Industries	Jalgaon
2.	Indian Seamless Financial Corporation Ltd.	Ahmednagar
3.	Hathway Investments (P) Ltd.	Nasik

1	2	3
4.	Shri Aziz Lalani	Aurangabad
5.	KJMC Financial Services Ltd.	Aurangabad

In January, 1993, RBI had issued detailed guidelines relating to entry of new private sector banks which are briefly given below :

- (i) They sub-serve the underlying goals of financial sector reforms which are to pride competitive, efficient and low cost financial in intermediation services for the society at large.
- (ii) They are financially viable.
- (iii) They should result in upgradation of technology in the banking sector.
- (iv) They should avoid the shortcomings such as unfair pre-emption and concentration of credit, monopolisation of economic power, cross holding with industrial groups etc. which beset the private sector banks prior to nationalisation.
- (v) Freedom of entry in the banking sector has to be managed carefully and judiciously.
- (vi) The initial paid-up capital of the new bank should not be less than Rs. 100 crores. The promoters' contribution should be at least 40% and the remaining 60% should be offered to the public within one year of operation or such time as permitted by RBI.

RBI has reported that since the above applications are at various stages of processing including verification of credibility antecedents, track record etc. of the promoters, it is not possible to indicate a time frame with which final decision can be taken

STATEMENT-I

Private Sector Banks Whose Registered Head Offices Are Located in Maharashtra

S.No.	Name of the Bank	Head Office
1.	The Development Credit Bank Ltd.	Mumbai
2.	The Ratnakar Bank Ltd	Kolhapur
3.	The Sangli Bank Ltd	Sangli
4.	The United Western Bank Ltd	Satara
5.	The Ganesh Bank of Kurundwad Ltd	Kurundwad
6.	The Indus-Ind Bank Ltd.	Pune
7.	The H.D.F.C. Bank Ltd	Mumbai
8.	The SBI Commercial & International Bank Ltd	Mumbai

STATEMENT-II

Other Private Sector Banks Having Their Registered/ Head Offices Outside Maharashtra but are having Branches in Maharashtra

1. The Vysya Bank Ltd.
2. The Catholic Syrian Bank Ltd.
3. The Karnataka Bank Ltd.
4. The Dhanalakshmi Bank Ltd.
5. The Tamilnad Mercantile Bank Ltd.
6. The Bank of Rajasthan Ltd.
7. The Jammu & Kashmir Bank Ltd.
8. The City Union Bank Ltd.
9. The South Indian Bank Ltd.
10. The Federal Bank Ltd.
11. The ICICI Banking Corporation Ltd.
12. The Global Trust Bank Ltd.
13. The UTI Bank Ltd.
14. The Centurion Bank Ltd.
15. The Karur Vysya Bank Ltd.
16. The Times Bank Ltd.
17. The Banaras State Bank Ltd.
18. The Bank of Punjab Ltd.
19. The IDBI Bank Ltd.

[English]

Coir Yarn

1179. SHRI RAMESH CHENNITHALA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware of accumulation of coir yarn and coir products in Kerala;

(b) whether the Government propose to allow the rebate scheme to liquidate the stock; and,

(c) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). With a view to encourage consumption of coir yarn and coir production in the country the Government have issued an order for the continuation of the Rebate Scheme on sale of Coir Yarn and Coir Products (excluding rubberised Coir products) in the Coir Sector during the year 1996-97.

(c) Does not arise.

Royalty on Coal

1180. SHRI E. AHAMED : Will the Minister of COAL be pleased to state :

(a) whether the Union Government have appointed a Study Group for the revision of royalty on coal;

(b) if so, the details thereof;

(c) whether the various State Governments have requested to the Union Government to increase the royalty on coal; and

(d) if so, the names of the States and the reaction of the Union Government to their demand?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). No Study Group on revision of royalty on coal has so far been constituted after the revision dated 11.10.94.

(c) and (d). The Governments of Bihar, West Bengal and Madhya Pradesh have written to the Central Government for enhancing the royalty rates on coal.

As per the proviso to Section 9(3) of the Mines and Minerals (Regulation and Development) Act, 1957, the Central Government is empowered to enhance the rate of royalty on coal not more than once during any period of three years. Since royalty rate had been last revised with effect from the 11.10.1994, the next revision is due on 11.10.1997 and not earlier.

Review of Performance of E.P.C.

1181. SHRI SARAT PATTANAYAK : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have reviewed the performances of Export Promotion Council; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLA BULLI RAMAIAH) : (a) and (b). The review of performance of the Export Promotion Councils (EPCs) under the Ministry of Commerce is undertaken each year at the time of consideration of their Annual Plan and Budget. There is also a provision for mid-year review of these EPCs as per para 149 of the Export-Import Policy. In addition, the export performance of these EPCs is also monitored in a regular manner.

Banking Ombudsman Scheme

1182. SHRI JAG MOHAN : Will the Minister of FINANCE be pleased to state :

(a) whether Banking Ombudsman Scheme, 1995 has been put in operation fully;

(b) if so, the details thereof, and

(c) the reaction of the Banking Staff to the Scheme and its impacts on improving customer services and general efficiency of the banking system?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The Banking Ombudsman Scheme has been put in

operation with effect from 14.6.1995. Reserve Bank of India (RBI) has appointed 10 Banking Ombudsman so far.

(b) The details of Banking Ombudsman appointed are as follows :

S. No.	Name of the Banking Ombudsman	Centre	Jurisdiction
1.	Shri B.N. Shetya	Bombay	Maharashtra & Goa
2.	Shri A.K. Pandya	Bhopal	Madhya Pradesh
3.	Shri B.L. Chadha	New Delhi	Delhi, Haryana, J&K, Dist. Ghaziabad in U.P.
4.	Shri J.C. Lynn	Bangalore	Karnataka
5.	Shri R.C. Kapoor	Chandigarh	H.P., Punjab, Chandigarh, U.T.
6.	Shri R.K. Ragala	Hyderabad	Andhra Pradesh
7.	Shri J.P. Sharma	Patna	Bihar
8.	Shri O.P. Sodhani	Jaipur	Rajasthan
9.	Shri G.C. Agarwal	Kanpur	U.P. excluding Dist. Ghaziabad
10.	Shri H.N. Das	Guwahati	Assam, Arunachal Pradesh, Meghalaya, Manipur, Nagaland, Mizoram and Tripura

(c) On the basis of the feedback received from the Banking Ombudsmen RBI have observed that the response to the scheme from banks is good. The impact of the scheme on customer services and general efficiency is also encouraging. The Banking Ombudsmen have settled 812 complaints during the year ended 31.3.96.

Shortage of Coins And Currency Notes

1183 SHRI SANAT KUMAR MANDAL Will the Minister of FINANCE be pleased to state

(a) whether the Government are aware of acute shortage of coins and currency notes of small denomination particularly in the Dooars region of North Bengal;

(b) if so, the details thereof alongwith the reasons therefor, and

(c) the action taken by the Government and the Reserve Bank of India to meet the shortage of coins and small notes in North Bengal?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). Following a decision of the Government to coinise lower denomination notes of Re 1/-, Rs 2/- and Rs 5/-, these notes are no longer being printed by Note Printing Presses and hence no supply of fresh notes of these denomination to RBI. There is no dearth of Rs 5/- coins which are being issued freely by RBI's Calcutta Office. The RBI has also since stepped up supply position in regard to Re 1/- and Rs.2/- coins in Dooars region in North Bengal.

Demand And Supply of Natural Rubber

1184 SHRI MULLAPPALLY RAM CHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have assessed any gap between the demand and supply of natural rubber in the country during 1996-97;

(b) if so, the details thereof;

(c) whether the Government propose to import raw or natural rubber during 1996-97;

(d) if so, the reasons therefor;

(e) whether the Government of Kerala has raised any objection against such import; and

(f) if so, the action taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). The Rubber Board has assessed a gap of 14,000 tonnes between demand and supply of Natural Rubber in this country during 1996-97.

(c) and (d). Government have not taken any decision in this regard.

(e) No, Sir.

(f) Does not arise.

Industrial Park in Karnataka

1185 SHRI S.D.N.R. WADIYAR : Will the Minister of INDUSTRY be pleased to state

(a) whether the Government propose to set up an industrial park at Mangalore;

(b) if so, the main objectives of setting up industrial Park;

(c) whether Karnataka Government has any share in that industrial Park;

(d) if so, the details thereof; and

(e) the details of the land acquired for the purpose?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (e). No, Sir. No proposal for setting up of an Industrial Park at Mangalore or for setting up an

Export Promotion Industrial Park (EPIP) in Mangalore has been received from the Government of Karnataka.

[Translation]

Coal Washeries

1186. SHRI SUSHIL CHANDRA : Will the Minister of COAL be pleased to state :

(a) the number of Coal Washeries set up till date by the Coal India Ltd. and the private sector to bring down the ash content in the non-coking coal; and

(b) the places where these coal washeries have been set up?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). One non-coking coal washery at Bina in Northern Coal fields Limited has been set up by Coal India Limited. "No-Load" test for this washery has been completed and load trial test is expected to be carried out in October, 1996. Another washery at Piparwar in Central Coal fields Limited is being set up by Coal India Limited.

Coal India Limited have issued Letters of Intent to private investors for setting up washeries on "Build-Own-Operate" basis at the following four places :

S.No.	Name of Place	Coal Company
1	Dipka	South Eastern Coalfields Limited
2	Kalinga	Mahanadi Coalfields Limited
3	Ananta-Bharatpur	Mahanadi Coalfields Limited
4	Sasti	Western Coalfields Limited

[English]

Air Cargo Export

1187. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether the growth in air cargo exports has dropped;

(b) if so, the export figures for 1994-95 and to what extent it was more in comparison to 1995-96 and the main reasons for drop;

(c) whether the Government have taken any concrete measures to increase the air cargo exports during 1996; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir.

(b) The provisional figures for exports by air for 1994-95 and 1995-96 are as under :-

1994-95	Rs.25,24,604 lakhs.
1995-96	Rs.31,64,138 lakhs.

(c) and (d). Based on projections presented by the Confederation of Indian Industry, air cargo exports are expected to increase at the rate of 10% per annum between 1996 and 2005.

[Translation]

Delicensing of Sugar Industry

1188. PROF. PREM SINGH CHANDUMAJRA : JUSTICE GUMAN MAL LODHA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to delicense the sugar industry;

(b) if so, the broad outlines thereof; and

(c) if not, the reasons therefor and the production capacity of sugar industry for which licenses have been issued till date?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). At present, there is a short list including sugar industry. The review of this list is made from time to time. The installed capacity in terms of annual sugar production at the end of season 1994-95 stood at 122.1970 Lakh Tonnes.

[English]

Use of Hindi in High Court Proceedings

1189. SHRI JAI PRAKASH AGARWAL : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the progress made so far in the use of Hindi besides English in the proceedings and decisions of Delhi High Court;

(b) whether the Government propose to bring any legislation in this regard;

(c) if so by when; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT K. KHALAP) : (a) to (d). Article 348(1) of the Constitution provides that all proceedings in the Supreme Court and in every High Court shall be in English until Parliament by law otherwise provides. Under article 348(2), the Governor of State may with the previous consent of the President, authorise the use of Hindi or any other language used for any official purposes of the State, in

proceedings of the High Court having its principal seat in that State, provided that decrees judgement or orders passed by the High Court shall be in English Under Section 7 of the Official Language Act, 1963, the use of Hindi or official language of a State in addition to English may be authorised with consent of the President of India by the Governor of the State for the purpose of judgements etc. made by the High Court for that State.

When the matter of use of Hindi in addition to English in the proceedings and judgements of the High Courts situated in the Union Territories was being examined, the question arose as to whether the above provisions of the Constitution and the Official Language Act, wherein the term "Governor of a State" has been used, are applicable to the Union Territories also. The Ministry of Law and Justice opined that these provisions do not apply to the Union Territories as the term "Governor" does not include "Lt. Governor" or "Administrator" of the Union Territories.

Backward Areas in Maharashtra

1190. SHRI MANIKRAO HODLYA GAVIT Will the Minister of INDUSTRY be pleased to state:

(a) the details of the districts which have been declared as backward areas by the Union Government in Maharashtra.

(b) the details of concessions given by Monopolies and Restrictive Trade Practices Act for such industries which are situated in these areas, and

(c) the details of fund earmarked by the Union Government for 1995-96 and 1996-97 in the State of Maharashtra and the achievements or progress made by these industries so far?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) (a) No district in Maharashtra has been declared backward by the Union Government

(b) and (c) Do not arise

Restructuring of R.R.Bs

1191. SHRI JAGAT VIR SINGH DRONA
SHRIMATI VASUNDHARA RAJE

Will the Minister of FINANCE be pleased to state:

(a) the details of Regional Rural Banks earning profits and incurring losses separately, as on date, State-wise together with the reasons for the losses.

(b) whether the Government propose to restructure or revamp some Regional Rural Banks, and

(c) if so, the details of the proposal and the particulars of such Banks, State-wise?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) (a) The State-wise details of Regional Rural Banks (RRBs)

earning profit and incurring losses (latest available) are summarised in enclosed statement-I. The reasons for losses inter-alia include high establishment cost, low margins, low business volumes relative to branch network and poor recoveries.

(b) and (c) Yes, Sir. Government has decided to revamp the RRBs on 'Stand Alone' basis. Accordingly, 49 and 53 RRBs have been provided a total amount of Rs. 150 crores and Rs. 223.57 crores respectively during 1994-95 and 1995-96 by Government of India. The State-wise details of RRBs taken up for restructuring during 1994-95 and 1995-96 are enclosed in Statement-II and Statement-III.

STATEMENT-I

State-wise Details of RRBs Earnings Profits/incurring Losses during 1994-95

S.No.	Name of State	No. of RRBs	
		Earning Profits	Incurring Losses
1	2	3	4
1	Andhra Pradesh	7	9
2	Arunachal Pradesh	-	1
3	Assam	-	5
4	Bihar	-	22
5	Gujarat	1	8
6	Haryana	-	4
7	Himachal Pradesh	1	1
8	Jammu & Kashmir	-	3
9	Karnataka	5	8
10	Kerala	2	-
11	Manipur	-	1
12	Madhya Pradesh	-	24
13	Maharashtra	1	9
14	Mizoram	-	1
15	Meghalaya	1	-
16	Nagaland	-	1
17	Orissa	-	9
18	Punjab	2	3
19	Rajasthan	-	14
20	Tamil Nadu	-	3
21	Tripura	-	1
22	Uttar Pradesh	12	28
23	West Bengal	-	9
Total		32	164

STATEMENT-II

Names of RRBs Selected for Restructuring during 1994-95

S No.	Name of Regional Rural Bank	Name of State
1	2	3
1.	Gurgaon Gramin Bank	Haryana
2.	Himachal Gramin Bank	Himachal Pradesh
3.	Jammu Rural Bank	Jammu & Kashmir
4.	Faridkot Bathinda Kshetriya Gramin Bank	Punjab
5.	Bhilwara-Ajmer Kshetriya Gramin Bank	Rajasthan
6.	Shekhawati Gramin Bank	Rajasthan
7.	Jaipur Nagaur Anchalik Grameena Bank	Rajasthan
8.	Arunachal Pradesh Rural Bank	Arunachal Pradesh
9.	Pragjyotish Gaonlia Bank	Assam
10.	Manipur Rural Bank	Manipur
11.	Ka Bank Nongkyndong Ri Khasi Jaintia	Meghalaya
12.	Mizoram Rural Bank	Mizoram
13.	Nagaland Rural Bank	Nagaland
14.	Gopalganj Kshetriya Gramin Bank	Bihar
15.	Siwan Kshetriya Gramin Bank	Bihar
16.	Magadh Gramin Bank	Bihar
17.	Bhojpur Rohtas Gramin Bank	Bihar
18.	Monghyr Kshetriya Gramin Bank	Bihar
19.	Koraput Panchabati Gramya Bank	Orissa
20.	Cuttack Gramya Bank	Orissa
21.	Bardhaman Gramin Bank	West Bengal
22.	Howrah Gramin Bank	West Bengal
23.	Sharda Gramin Bank	Madhya Pradesh
24.	Kshetriya Gramin Bank Hoshangabad	Madhya Pradesh
25.	Durg-Rajnandgaon Gramin Bank	Madhya Pradesh
26.	Bundelkhand Kshetriya Gramin Bank	Madhya Pradesh
27.	Rewa-Sidhi Gramin Bank	Madhya Pradesh
28.	Sarayu Gramin Bank	Uttar Pradesh
29.	Bhagirath Gramin Bank	Uttar Pradesh

1	2	3
30.	Vindhyavasini Gramin Bank	Uttar Pradesh
31.	Avadh Gramin Bank	Uttar Pradesh
32.	Farrukhabad Gramin Bank	Uttar Pradesh
33.	Basti Gramin Bank	Uttar Pradesh
34.	Gorakhpur Kshetriya Gramin Bank	Uttar Pradesh
35.	Prathma Bank	Uttar Pradesh
36.	Samyut Kshetriya Gramin Bank	Uttar Pradesh
37.	Surat-Bharuch Gramin Bank	Gujarat
38.	Valsad-Dangs Gramin Bank	Gujarat
39.	Thane Gramin Bank	Maharashtra
40.	Aurangabad Jaina Gramin Bank	Maharashtra
41.	Godavari Grameena Bank	Andhra Pradesh
42.	Kanakdurga Grameena Bank	Andhra Pradesh
43.	Sri Rama Grameena Bank	Andhra Pradesh
44.	Sri Sathavanana Grameena Bank	Andhra Pradesh
45.	Tungabhadra Gramin Bank	Karnataka
46.	Malaprabha Grameena Bank	Karnataka
47.	Bijapur Grameena Bank	Karnataka
48.	South Malabar Gramin Bank	Kerala
49.	Vallalar Gramin Bank	Tamil Nadu

STATEMENT-III

Names of RRBs Selected for Restructuring during 1995-96

S No.	Name of RRBs	Name of State
1	2	3
1.	Sri Saraswati Gramin Bank	Andhra Pradesh
2.	Sree Anantha Gramin Bank	Andhra Pradesh
3.	Manjira Gramin Bank	Andhra Pradesh
4.	Rayalseema Gramin Bank	Andhra Pradesh
5.	Chaitanya Gramin Bank	Andhra Pradesh
6.	Sangameshwara Gramin Bank	Andhra Pradesh
7.	Pinakini Gramin Bank	Andhra Pradesh
8.	Kakathiya Gramin Bank	Andhra Pradesh
9.	Shri Venkateshwara Gramin Bank	Andhra Pradesh
10.	Subansiri Gaonlia Bank	Assam
11.	Santhal Parganas Gramin Bank	Bihar

1	2	3
12.	Begusarai Kshetriya Gramin Bank	Bihar
13.	Hazaribagh Kshetriya Gramin Bank	Bihar
14.	Girdih kshetriya Gramin Bank	Bihar
15.	Junagadh Amrali Gramin Bank	Gujarat
16.	Panchmahal Vadodara Gramin Bank	Gujarat
17.	Jamnagar Rajkot Gramin Bank	Gujarat
18.	Sabarkantha Gandhinagar Gramin Bank	Gujarat
19.	Kutch Gramin Bank	Gujarat
20.	Surendranagar Bhavnagar Gramin Bank	Gujarat
21.	Hissar-Sirsa Kshetriya Gramin Bank	Haryana
22.	Ambala Kurukshetra Gramin Bank	Haryana
23.	Parvatiya Gramin Bank	Himachal Pradesh
24.	Cauvery Gramin Bank	Karnataka
25.	Sahyadri Gramin Bank	Karnataka
26.	Chickmagalur Kodagu Gramin Bank	Karnataka
27.	Varada Gramin Bank	Karnataka
28.	Kalpatharu Gramin Bank	Karnataka
29.	Chitradurga Gramin Bank	Karnataka
30.	Kolar Gramin Bank	Karnataka
31.	Ratlam Mandsaur Kshetriya Gramin Bank	Madhya Pradesh
32.	Nimar Kshetriya Gramin Bank	Madhya Pradesh
33.	Indore Ujjain Kshetriya Gramin Bank	Madhya Pradesh
34.	Gwalior Datia Kshetriya Gramin Bank	Madhya Pradesh
35.	Buldana Gramin Bank	Maharashtra
36.	Yavatmal Gramin Bank	Maharashtra
37.	Dhenkanal Gramin Bank	Orissa
38.	Rushikulya Gramin Bank	Orissa
39.	Kalahandi Anchalik Grameena Bank	Orissa
40.	Shivalik Kshetriya Gramin Bank	Punjab
41.	Kapurthala Ferozpur Kshetriya Gramin Bank	Punjab

1	2	3
42.	Gurudaspur Amritsar Kshetriya Gramin Bank	Punjab
43.	Bundi-Chittorgarh Kshetriya Gramin Bank	Rajasthan
44.	Adhyanaman Gramin Bank	Tamil Nadu
45.	Nainital Almora Kshetriya Gramin Bank	Uttar Pradesh
46.	Sravasti Gramin Bank	Uttar Pradesh
47.	Vidur Gramin Bank	Uttar Pradesh
48.	Raebareli Kshetriya Gramin Bank	Uttar Pradesh
49.	Hindon Gramin Bank	Uttar Pradesh
50.	Devi Patan Kshetriya Gramin Bank	Uttar Pradesh
51.	Chatrasai Gramin bank	Uttar Pradesh
52.	Sagar Gramin Bank	West Bengal
53.	Nadia Gramin Bank	West Bengal

Setting up of Industry in Bihar/Maharashtra

1192. SHRI DATTA MEGHE

SHRI KACHARU BHAI RAUT

Will the Minister of INDUSTRY be pleased to state:

(a) the number of industries set up in Bihar and Maharashtra during the last two years with the assistance of indigenous foreign companies; and

(b) if so, details thereof such as names and the investment made by indigenous foreign companies?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) A total number of 3 and 48 Industrial Licenses were issued under the provisions of Industries (Development & Regulation) Act, 1951 for setting up various industries in Bihar and Maharashtra during the period 1994 and 1995 respectively. Apart from these, during the above period, a total number of 7 and 223 Industrial Entrepreneur Memoranda (IEMs) have been filed in Bihar & Maharashtra respectively. The approvals for setting up industries under the Industries (Development & Regulation) Act, 1951 do not always indicate the financing pattern and as such the details of the projects to the established with Government, non-Government and foreign participation are not centrally maintained.

Payment of Cane Prices To Farmers

1193. SHRI RAJIV PRATAP RUDY: Will the Minister of TEXTILES be pleased to state:

(a) whether the payment of cane supplied by growers in the Cawnpore Sugar Works Limited,

Marhowrah Factory Branch, Chapra is outstanding for the year 1994-95 and 1995-96:

(b) if so, the details thereof:

(c) the time by which the outstanding payment are likely to be made to the farmers?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) to (c). The Cawnpore Sugar Works Limited have intimated that as on 8th July, 1996 the Marhowrah Sugar Factory Branch, Chapra has cane price arrears of Rs. 61.52 lakhs and Rs. 361.49 lakhs for 1994-95 season and 1995-96 season respectively.

The Company has been declared sick by the BIFR. On account of liquidity crunch, timely payment of outstanding dues to the farmers has not been possible. The Company, however, is making efforts to clear the outstandings as far as possible.

Income Tax Dues

1194 SHRI RADHA MOHAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) the names of film artists, directors, producers who owe income-tax/wealth-tax exceeding rupee one lakh as on July 1, 1996;

(b) the steps taken or proposed to be taken by Government under the Income-tax Act, 1961 to realise the outstanding dues, and

(c) the recoveries affected so far?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) As per latest available information, the names of film artists, directors, producers against whom income-tax/wealth-tax demand exceeding rupees one lakh remained outstanding as on 31.3.1996 are given in the enclosed statement.

(b) High priority is given to the work of collection/reduction of arrear demand and appropriate administrative, legal and other measures are taken to reduce the same. In bigger cases, the dossiers are maintained and the position is reviewed regularly. Request is made to the appellate authorities for early disposal of cases. Wherever the recovery proceedings are stayed by the Courts, steps are initiated to get stay vacated. Coercive measures like attachment and sale of property, levy of penalty etc. are also taken in suitable cases for speedy recovery of demand.

(c) Recovery is a continuous process. Collection and compilation of such information in all the 280 cases would be time consuming and the time and labour involved may not be commensurate with the objectives sought to be achieved. However, if the Hon'ble Member desires to have the information about any particular case, the same can be collected and furnished.

STATEMENT

S No.	Name of the film artists, directors & producers
1	2
1.	Shri Amitabh Bachchan
2.	Shri Ashok Ghai
3.	Shri Subhash Ghai
4.	M/s. Mukta Arts (P) Ltd
5.	M/s. Daulat Theatre
6.	Shri D.M. Netrawala
7.	M/s. Hiba Films (P) Ltd.
8.	Shri Jagdish Sidana
9.	M/s. Milgrey Studio Research lab (P) Ltd.
10.	Shri Raja Roy
11.	Shri Sunil Hingorani
12.	Shri U.N. Singh
13.	Shri Laxmikant Berde
14.	Shri S.P. Chaudhary
15.	Shri Bappi Lahiri
16.	M/s. Chandulal Shivalal Investment (P) Ltd.
17.	Shri Ashok Punjab
18.	Shri Chander Barot
19.	M/s. Delux Pictures (Bombay)
20.	M/s. Delux Production
21.	M/s. Distinction Films
22.	Late Shri F.D. Mistry
23.	Shri G.S. Hasand
24.	Shri Kamaluddin Kazi
25.	Shri Nasir Khan Savarkhan
26.	Shri Pappu Verma
27.	Shri P.K. Rana
28.	Shri B.C. Ram
29.	Shri R.D. Sabarwal
30.	M/s. Shantiketani Films
31.	Shri V.D. Kondke
32.	M/s. Vijay Film International
33.	Shri D.S. Sohal
34.	Shri A.K. Sen Gupta
35.	M/s. Krishna Film Enterprises
36.	Shri Manmohan Malhotra
37.	Shri S.K. Sharma
38.	Shri S.M. Sagar
39.	Shri Sardar Malik
40.	Shri V.K. Sinha
41.	M/s. Satyam Enterprises
42.	Smt. Kamakshri Chitra

1	2
43.	Shri K.K. Ahuja
44.	M/s. Kamakshi Movies
45.	M/s. Pravin Babi
46.	Shri Subodh Mukherjee
47.	Shri R.N. Shankar
48.	Shri Pratap Singh
49.	Shri Darshan Dewan
50.	Late Shri R.D. Bhaskar
51.	M/s. Radha Enterprises
52.	M/s. Sarasam Enterprises
53.	Smt. S. Mallika
54.	Smt. B. Sarasam
55.	Smt. S. Ambika
56.	Smt. Udaya Chandrika
57.	M/s. ARS Garden
58.	Shri K. Chiranjeevi
59.	Shri A.A. Babu
60.	Shri Ragavendra Rao
61.	M/s. R.K. Film Associates
62.	M/s. Andal Production
63.	Shri P. Ananda Rao
64.	Shri P. Anthanyari
65.	Shri T. Arjuna
66.	A. Bharathi
67.	Shri T.R. Chakravarthi
68.	M/s. Golden Cine Studios Ltd.
69.	Shri M. Gopalakrishnan
70.	Shri B. Gopal
71.	Ms. C. Indiradevi
72.	M/s. Kalakendra Films
73.	Shri M.S. Keerthi
74.	Shri Kodi Ramakrishnan
75.	Shri R. Kothandarama Reddy
76.	Smt. A.S. Lakshmi
77.	Shri K. Nondagopal Chetty
78.	Shri. K.S. Narasimhan
79.	Shri Neelaveniammal
80.	M/s. Padmanabha Theatre
81.	M/s. Padmalaya
82.	M/s. Praveena Film Circuit
83.	Shri Panchu Arunachalam
84.	Shri R. Parthiban
85.	Shri P.K.R. Pillai
86.	Shri C.H. Prakasa Rao
87.	Shri P.B.R.V. Prasad Rao

1	2
88.	Shri G. Prabhu
89.	Shri M. Prabhakara Reddy
90.	Smt. Praveena L/R Bhagyaraj
91.	Late Prem Nazir
92.	M/s. R.R. Pictures
93.	Late G.V. Raghavaiah
94.	Shri M.V. Rajamma
95.	Shri U. Rajendran
96.	Shri G.B. Rajendra Prasad
97.	Shri A. Rajeswari
98.	Shri T.R. Ramachandran
99.	Shri N.B. Ramesh Babu
100.	Shri G.N. Ramanujam
101.	Miss Rekha
102.	M/s. Srinivasa Art Pictures
103.	M/s. Suriyan Films
104.	Shri C.T. Senthinathan
105.	Shri P. Subba Rao
106.	Late K.J. Subbaiah
107.	Shri Suma Ranganathan
108.	Shri Sujatha Venkateswaran
109.	Shri V.S.R. Swamy
110.	Usha Rajendran
111.	M/s. Vijaya Krishna
112.	M/s. Vijaya Krishna Movies
113.	Late M.R.R. Vasu
114.	Shri S. Venkataraman
115.	G. Vijaya Nirmala
116.	Shri K.J. Jesudoss
117.	M/s. Aruna international
118.	Shri P. George Thomas
119.	Shri G. Gopal Rao
120.	Ms. T. Gouthami
121.	Shri G. Hanumantha Rao
122.	Ms. J. Jayalalitha
123.	Shri S. Kamalhasan
124.	Shri A. Kothanda Ramaiah
125.	Shri M. Mohan Babu
126.	M/s. Padmalaya Films
127.	Shri R. Raj Babu
128.	Shri S. Ramanathan
129.	Shri K.S. Rama Rao
130.	M/s. Shanthi Theatre P. Ltd.
131.	M/s. Sujatha Films
132.	Ms. A. Sree Devi

1	2	1	2
133	Smt. Sribidya	178	Shri A. Nagarjuna Rao
134	Shri S.P. Venkanna Babu	179	Shri V.V. Rao
135	Shri D. Venkatesh	180	Shri N. Bala Krishna
136	Shri R. Vijayakumar	181	Shri N. Jayakrishna
137	Shri B.V. Mansatta	182	Shri N. Ramakrishna
138	Shri G.B. Mansatta	183	Shri N. Hari Krishna
139	M/s. Shanti Cinema	184	Shri N. Jayashanker Krishna
140	Shri Biswajit Chatterjee	185	Shri N. Sai Krishna
141	Shri B.N. Paul	186	Shri A. Nageswara Rao
142	M/s. New Tarun Cinema	187	Shri A. Nagarjuna Rao
143	Shri B.N. Sil	188	Shri A.V.N. Rao
144	Estate of late S.B. Dasi	189	Shri M. Moni
145	M/s. Motion Pictures Distributors	190	Shri P.M. Nair (Madhu)
146	Shri Anjan Chowdhury	191	M/s. Shamsunder Pictures
147	Late Shri Dilip Mukherjee	192	Smt. Hemalatha Ramesh
148	M/s. Misrilal Pictures (P) Ltd.	193	M/s. Gitanjali Theatre
149	Smt. Premlata Singh	194	Shri K.V. Raju
150	Shri Sarju Ladia	195	M/s. Gopal Films
151	M/s. Mangal Movies	196	M/s. Mandakini Chitra (P) Ltd
152	M/s. Chaturmukh	197	Shri Sai Prakash
153	Shri Anil Chatterjee	198	M/s. Sri Renukamba Distributors
154	M/s. Chhayalok (P) Ltd.	199	Shri N.A. Krishna Reddy
155	M/s. Janata Cinema Properties & Finance Ltd.	200	M/s. Unik Films
156	Shri S.N. Banerjee	201	Shri KDN Chandrasekar
157	Shri Ramesh Mehta	202	Miss Malashree
158	M/s. Rupayan Cinema	203	Smt. K. Chandralakha
159	M/s. Annapurna Enterprises	204	Shri Ravichandran
160	M/s. Depthi Pictures	205	M/s. Adlabs Films (P) Ltd
161	M/s. Vinay Enterprises	206	M/s. Sri Lakshmi Narayana Films
162	M/s. Bhagyanagar Studios (P) Ltd.	207	M/s. Venus Maheja Pictures
163	M/s. Bhagyanagar Studios	208	Shri Dada Kondke
164	Shri N. Bansidhar	209	Shri Govinda Ahuja
165	M/s. Laxmi Narasimha Films (P) Ltd	210	Shri Jairam Reddy
166	M/s. Rama Krishna Cine Studios	211	Shri Jackie Shroff
167	M/s. Rama Krishna Pictures	212	Late Shri Kishore Kumar
168	M/s. N.T.R. Estates	213	Shri Shakti Kapoor
169	M/s. Navyug Pictures	214	Shri Sanjay Khan
170	M/s. Shinde Enterprises	215	Shri Vijay Anand
171	M/s. A.S. Combines	216	Shri Anu Malik
172	M/s. Yuva Chitra	217	Miss Karishma Kapoor
173	Late Shri N.T. Rama Rao	218	Shri Mahesh Bhatt
174	Shri T. Srinivasa Reddy	219	Smt. Babita Kapoor
175	Smt. B. Saroja Devi	220	Shri Salman Khan
176	Smt. Manemma	221	Shri Pankaj Udhass
177	Smt. A. Annapurna	222	Shri Shahrukh Khan

1	2
223	Shri Farooq Ahmed
224	Shri G.M. Gulbani
225	Shri L.R. Mirchandani
226	Shri Mukesh Duggal
227	Shri B.R. Chopra
228	Shri R.S. Juneja
229	Shri Sudhakar Bokade
230	Shri O.P. Rathan
231	Miss Barkha Roy
232	Shri Satram Rohra
233	Shri Akbar Ali Khan
234	M's. A.K. Movies
235	Shri Satish Kulkarni
236	Shri Kewal Sharma
237	Shri N. Chandra
238	Shri Mukesh Bhatt
239	Shri Ramesh Singhal
240	Shri Bharat Nahata
241	Shri Satyendrapal
242	Shri A. Samant
243	Shri B. Subhash
244	Shri C.D. Mukherjee
245	Miss Deepika Chikalia
246	Miss R. Nath
247	Shri Govind Nihalani
248	Shri Harish Lamba
249	Shri Harmesh Malhotra
250	Shri K.A.S. Deol
251	Shri N.K. Tulsian
252	Shri P.G. Thakkar
253	Shri R.N. Sippy
254	Shri Rajan Sippy
255	Shri R.K. Khanna
256	Shri Ranjit Beri
257	Smt. Rashmi Anand
258	Shri R.K. Modi
259	Shri S.M.D. Topiwala
260	Shri Sardar Dhawan
261	Shri Shatrughan Sinha
262	Shri T.C. Dewan
263	Ms. Zeenat Aman
264	Shri G. Nadhani
265	Smt. Hakhin Waheeda
266	Shri Rajesh Khanna
267	Shri Prakash Mehra

1	2
268	Shri S. Pande
269	Shri B.D. Gupta
270	Shri C. Kapoor
271	Ms. Tanuja Mukherjee
272	Shri M.A.A. Gaffar
273	Shri Ashok Gaikwad
274	Shri S. Saroj
275	Shri N.M. Manchanda
276	Shri A. Alvi
277	Smt. Jaya Bachchan
278	Shri G.C. Jain
279	Shri R.D. Jain
280	M's. Venus Records & Tapes (P) Ltd

[Translation]

Income Tax Dues

1195 SHRI KASHIRAM RANA :

SHRI MOHAMMAD ALI ASHRAF FATMI

Will the Minister of FINANCE be pleased to state

(a) the number of persons against whom an account of Rs. one lakh or more is outstanding on account of income tax, and

(b) the total amount of income-tax yet to be recovered?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The number of assessee against whom an amount of Rs. one lakh and more was due as income-tax as on 31.12.1995 was 75688

(b) The total outstanding demand of Corporation Tax and Income-tax was Rs. 28978.14 crores at the end of financial year 1995-96.

[English]

Growth Centres

1196 SHRI SOUMYA RANJAN Will the Minister of INDUSTRY be pleased to state

(a) whether locations of Growth Centres to promote industrialisation of backward areas have since been identified.

(b) if so, the details thereof place wise and State-wise.

(c) the details of progress made in providing necessary infrastructural facilities particularly in respect of power, water, telecommunication and banking in the already identified growth centres, and

(d) the action plan envisaged for the year 1996-97?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Yes, Sir. Out of 71 growth centres proposed to be developed under the Growth Centre Scheme, 1983, the locations of 70 centres have already been identified. Details are given in the enclosed statement.

(c) and (d). The development of growth centres and implementation of the Growth Centre Scheme is with the State Governments. The role of the Central Government is in the appraisal and monitoring of the development of the growth centres and granting Central assistance which limited upto Rs.10 crores per growth centre.

The entire amount of the Central assistance stands released in respect of the nine centres and the other approved centres are at various stages of development, i.e. land acquisition, setting up of infrastructure facilities for supply of power, water, telecommunication banking etc. The total Central assistance released so far is Rs. 200.79 crores.

The development of the growth centres is an ongoing process under the scheme included in the 8th Five Year Plan. As the responsibility for the development of the growth centres is with the States, the Union Government's action plan aims at providing the matching resources of the Government according to the progress made in respect of the individual growth centres.

STATEMENT

No. of Growth Centres Allocated - 71

No. of Growth Centres Selected - 70

Name of the Growth Centre	District
1	2
Andhra Pradesh (4)	
1. Hindupur	Anantapur
2. Khammam (Vomsoor Mandal)	Khammam
3. Ongole	Prakasam
4. Vizianagaram-Bobbili	Vizianagaram
Arunachal Pradesh (1)	
5. Niklok Ngorlung	East Siang
Assam (3)	
6. Chariduar	Sonitpur
7. Balijana	Goalpara
Bihar (6)	
8. Bhagalpur	Bhagalpur
9. Darbhanga	Darbhanga

1	2
10. Hazaribagh	Hazaribagh
11. Begusarai	Begusarai
12. Muzzafarpur	Muzzafarpur
13. Chhapra	Chhapra
Goa (1)	
14. Electronic City	Verna Plateau
Gujarat (3)	
15. Gandhidham	Kutch
16. Palanpur	Banaskantha
17. Vagra	Bharuch
Haryana (2)	
18. Bawal	Rewari
19. Ambala	Ambala
Himachal Pradesh (1)	
20. Kangra	Kangra
Jammu & Kashmir (2)	
21. Ganderbal	Srinagar
22. Sambha	Jammu
Karnataka (2)	
23. Dharwad	Dharwad
24. Raichur	Raichur
25. Hassan	Hassan
Kerala (2)	
26. Alleppey-Pathanamthitta	Alleppey-Pathanamthitta
27. Kannur-Kozhikode-Malappuram	Kannur-Kozhikode-Mallapuram
Madhya Pradesh (6)	
28. Borai	Durg
29. Chainpura	Guna
30. Ghirongi	Bhind
31. Kheda	Dhar
32. Sattlapur	Raisen
33. Siltara	Raipur
Maharashtra (5)	
34. Akola	Akola
35. Chandrapur	Chandrapur
36. Dhule	Dhule
37. Ratnagiri	Ratnagiri
38. Nanded	Nanded
Manipur (1)	
39. Kanglatongbi	Senapati
Meghalaya (1)	
40. Mendipathar	East Garo Hills

1	2
Mizoram (1)	
41. Luangmual	Aizawl
Nagaland (1)	
42. Dimapur	Kohima
Orissa (4)	
43. Chatrapur	Ganjam
44. Chiplima	Sambalpur
45. Duburi	Cuttack
46. Kesinga	Kalahandi
Pondicherry (1)	
47. Karaikal	Pondicherry
Punjab (2)	
48. Bhatinda	Bhatinda
49. Pathankot	Gurdaspur
Rajasthan (5)	
50. Abu Road	Birohi
51. Bhilwara	Shilwara
52. Bikaner	Bikaner
53. Jhalawar	Jhalawar
54. Dholpur	Dholpur
Tamilnadu (3)	
55. Erode	Periyar
56. Panangudi-Thirumarugal	Thanjavur
57. Tirunaveli (Gangai Kondan Nanur Block)	Tirunaveli-Kattabomman
Tripura (1)	
58. Uttar Champamura	West Tripura
Uttar Pradesh (8)	
59. Bachauli-Buzurg	Jhansi
60. Banthara	Shahjahanpur
61. Chaudharpur	Moradabad
62. Dibiapur	Etawah
63. Khurja	Bulandshahr
64. Mungrn Satharia	Jaunpur
65. Sahjanwa	Gorakhpur
66. Shivrajpur-Padampur	Pauri-Garhwal
West Bengal (3)	
67. Bolpur	Birbhum
68. Jalpaiguri	Jalpaiguri
69. Malda	Malda
Sikkim	
70. Majhitar	Rangpo East district

Figures in brackets shown against each State indicates the number of growth centres allocated to that State.

Drug Trafficking

1197. SHRIMATI VASUNDHARA RAJE : Will the Minister of FINANCE be pleased to state

(a) whether the Government are aware of the growing drug abuse and illicit trafficking in the country;

(b) if so, the efforts made by the Government to check such incidents;

(c) whether the Government also propose to bring forward any legislation in this regard in order to check such incidents more effectively; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b) The Government is aware of the drug problem in the country. Through the help of voluntary organisations there are a number of Drug Awareness Counseling and Assistance Centres and Deaddiction-Cum-Rehabilitation Centres to provide counselling, treatment and rehabilitation services to drug addicts all over the country.

The enforcement agencies have been instructed to maintain the utmost vigil and step up enforcement efforts under the provisions contained in NDPS Act to combat drug trafficking in the country.

(c) and (d). No, Sir.

[*Translation*]

United Nations Conference on Housing

1198. SHRI SATYA DEO SINGH
SHRI ANANTH KUMAR

Will the Minister of FINANCE be pleased to state

(a) whether in the recently held United Nations Housing Conference, India has urged upon the affluent countries to make available to the developing countries more funds and modern technology so as to increase their participation in the market of the developed countries which can help to raise their living standards;

(b) if so, the details thereof; and

(c) the response of the affluent countries in this regard?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). In the recently concluded Habitat-II Conference at Istanbul during June 3-14, 1996, India was chosen as the spokesman for G-77 countries in the Working Group on International Cooperation and Coordination and Implementation and follow up Action of the Habitat Agenda. During the negotiations, the need for international cooperation for human settlements development was fully appreciated and the developed countries agreed to strive to fulfil the target of 0.7% of their Gross National Product (GNP) flowing to the

developing countries as official Development Assistance and to attain the target of 0.15% of their GNP for assistance to the least developed countries as soon as possible. They also agreed to consider enhancing their assistance for adequate shelter for all and sustainable human settlements development programmes in the developing countries.

Increase/Decrease in Public Sector Institutions

1199 SHRI NITISH KUMAR :
SHRI NAWAL KISHORE RAI :

Will the Minister of INDUSTRY be pleased to state :

(a) whether there has been any change in the number of public sector undertakings and in the number of employees working therein during the last three years;

(b) if so, the details thereof;

(c) whether any improvement has been noticed in utilisation of the installed capacity during the above period; and

(d) if so, the details of such units which are making production by utilising the 90%, 75%, 50% and 25% more capacity than their installed capacity during the said period?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Yes, Sir. The details for three years ending 31.3.1994 upto which period only the information is available, are given below :

Year	No. of PSUs	No. of regular employees
1991-92	246	21.79 lakhs
1992-93	245	21.52 lakhs
1993-94	246	20.69 lakhs

(c) and (d). The details of utilisation of installed capacity by various public sector undertakings are available in the Statement No. 23 of Volume I of the Public Enterprises Survey 1993-94 laid on the Table of the House on 22nd March, 1995.

Import of Newsprint

1200. SHRI BANWARI LAL PUROHIT : Will the Minister of COMMERCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news item appearing in the 'Tribune' dated July 21, 1996 under captioned 'Scam in newsprint unearthed' :

(b) if so, the details thereof and the modus-operandi of the scam;

(c) whether the Government propose to impose restrictions on the import of newsprint to avoid its misuse; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Prior to 30th April, 1995, import of newsprint was permitted in accordance with the provisions of Public Notice No. 118/PN(92-97) dt. 31st March, 1993, which, inter alia, allowed import for those who held a certificate of entitlement to import newsprint issued by the Registrar of Newspapers for India, Ministry of Information and Broadcasting, New Delhi. According to available information, CBI has called for certain details from the Registrar of Newspapers to get relevant procedures and documents required for working out entitlement of newsprint for such entitlement certificates. No other details are available with the Ministry of Commerce in this regard.

(c) and (d). Import of newsprint is freely permitted under the current Export & Import Policy.

[English]

Trade Agreement With Canada

1201. DR. RAMKRISHNA KUSMARIA : Will the Minister of COMMERCE be pleased to state :

(a) whether any agreement has been signed recently between India and Canada for export promotion;

(b) if so, the details thereof; and

(c) the time by which this agreement is likely to be implemented?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). No Trade Agreement with Canada was signed by the Government. However, agreement on Avoidance of Double Taxation was signed during the visit of the Canadian Prime Minister to India in January, 1996, which is expected to contribute to an increase of trade between the two countries.

SEBI Guidelines

1202. SHRI AMAR PAL SINGH :
SHRI ANANTH KUMAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the Securities and Exchange Board of India has made some changes in regulations/guidelines governing the mutual funds during recent months;

(b) if so, the details in this regard; and

(c) the steps proposed to be taken by SEBI to make investment in mutual fund more attractive?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) No, Sir.

(b) and (c). The Securities and Exchange Board of India (SEBI) had appointed an Expert committee to go into standardisation of accounting practices, computation of NAV, Fee structure, etc. of Mutual Funds. The Committee has submitted its recommendations which have been accepted by SEBI.

SEBI had also conducted a study 'Mutual Funds-2000' on the structure of mutual funds, scope and applicability of the SEBI (Mutual Funds) Regulations, 1993, registration, governance and operations of mutual funds. The recommendations of the report have been approved by SEBI Board. Based on these recommendations, SEBI has initiated step to amend the SEBI (Mutual Funds) Regulations, 1993. The suggested measures will improve working of the mutual funds and give a greater degree of freedom to the Fund Managers within a well-regulated frame-work as well as increase the level of investor protection.

Investment By Banks in Capital Market

1203 SHRI PARASRAM BHARDWAJ : Will the Minister of FINANCE be pleased to state :

(a) whether many public sector commercial banks are facing a major problem in pricing their proposed Initial Public Offerings in the present depressed capital market;

(b) if so, the details in this regard; and

(c) the reaction of the Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Reserve Bank of India has reported that so far none of the banks, who are keen on issuing equity to the public at premium for augmenting their resources, has expressed any difficulty about the pricing of such issues on account of depressed capital market

(b) and (c) Do not arise

[Translation]

NTC Mills in Rajasthan

1204 PROF RASA SINGH RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) the name and locations of the NTC Mills in Rajasthan;

(b) whether the Government are aware of the labour unrest, mismanagement and irregularities prevailing in the NTC mills in Rajasthan;

(c) if so, the details thereof and the action taken by the Government in this regard; and

(d) The Government's plan for development of NTC mills in Rajasthan by providing them assistance from National Renewal Fund and for implementation of the

schemes announced for making those workers self-reliant who had taken voluntary retirement?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) The names and locations of the 4 NTC mills under NTC (DPR) located in Rajasthan are as follows :-

1. Edward Mills, Beawar
2. Mahalakshmi mills, Beawar
3. Shri Bijay Cotton Mills, Bijay Nagar.
4. Udaipur Cotton Mills, Udaipur

(b) No specific instances of labour unrest, mismanagement and irregularities have come to the notice of the Government.

(c) Does not arise

(d) NTC (DPR) has been referred to BIFR which has declared to be sick industrial company. Government has formulated a Revised Turn Around Plan for the Mills of NTC (DP&R) including those in Rajasthan. The same will be implemented after BIFR has approved the rehabilitation programme. In respect of surplus work force Government is implementing a Voluntary Retirement Scheme for their rationalisation in the NTC Mills. In respect of 4 mills located in Rajasthan, till date 1392 employees have been covered under the scheme and an amount of Rs. 8.12 crores has been paid to them out of the National Renewal Fund.

In addition Government have formulated a scheme for rehabilitation of the rationalised workers. Under the scheme, the workers can start his own project by purchasing old looms from NTC at a nominal price or can purchase new powerlooms/reeling machines from machinery manufactures. The requisite finance is available from the bank. The company would also provide production incentive in such ventures after successful operation of six months from the date of commissioning. Till date, 184 looms have been provided to 23 workers of Mahalakshmi Mills and Edward Mills.

[English]

Trade With Australia

1205. DR KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state

(a) whether the Government have any proposal to expand trade relation with Australia during 1996-97;

(b) if so, the details of new areas identified for the expansion of Indo-Australian trade; and

(c) the steps taken by the Government to boost export to that country during 1996-97?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). Expansion of trade relations with Australia is an ongoing exercise. Efforts are being made to expand and diversify our export basket to Australia, in more

value added products. In this connection software, computers and office machines, textiles and garments, engineering products, especially automotive components, electrical machinery, leather goods, gems & jewellery and cattle feed have been identified to have good prospects for our exports. Trade promotion efforts include meetings between trade officials on the two sides, interaction between business delegations, encouraging participation in Fairs and Exhibitions in Australia, etc. The forthcoming meeting of the Indo Australia Joint Business Council which is scheduled to coincide with the activities being organised by Australia under the New Horizons Programme in India would also contribute towards boosting trade with Australia.

Units of Keltron

1206. SHRI RAMESH CHENNITHALA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have received any representation for taking over of two units of Keltron in Mulakumathukam Trichur district by BHEL; and

(b) if so, the decision taken thereon?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). In July '95, a proposal was received from the State Government of Kerala for takeover of two units of Keltron of Mulakumathukam, Trichur district.

BHEL deputed a team of experts for a thorough study on the proposal of takeover of M/s Keltron Power Device Ltd., and M/s Keltron Rectifiers. On analysis of the information received from these two companies, the experts' team came to the conclusion that since the Product range, customer profile and the technological status of these two units were at variance with those of BHEL & their products were of low value and low margin in nature, it would not be in the business interest of BHEL to take over these two units. Accordingly, BHEL has decided against such a takeover.

Recommendation of Chief Justices of High Courts

1207. SHRI JAG MOHAN : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the main recommendation made in the recent Conference of the Chief Justices of High Courts;

(b) the number of recommendations accepted and how many have not been accepted so far; and

(c) the reasons for not accepting all the recommendations so far?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) No Conference of the Chief Justices of

High Courts has been held recently. The last Conference took place on 3rd, 5th & 6th December, 1993 at New Delhi.

(b) and (c). The Regulations which concerned the Central Government related mainly to improvement in service conditions which have largely been accepted. Others, which related to court management, were to be implemented by the High Courts themselves.

Popular Deposit Scheme

1208. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) the steps taken by the Government to promote deposits under the National Savings Schemes;

(b) whether the provision for investment by institutions in popular deposit schemes under National Schemes is withdrawn; and

(c) if so, the reasons thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The steps to encourage more deposits include attractive returns, extension of tax concessions, publicity and incentives to agents. A part from Central Government, wide publicity of these schemes is also undertaken by the State Governments and extension agencies like standardised Agency Systems (SAS), PPF agents and Mahila Pradhan Kshetriya Bachat Yojana (MPKBY) agents.

(b) Investments by the institutions in Kisan Vikas Patras, Post Office Time Deposit Accounts and National Savings Certificates have been discontinued with effect from 1.4.95.

However, investment by Trusts, Charitable Endowments, Regimental Funds and Welfare funds will continue.

(c) Small Savings Schemes are essentially meant to mobilise savings of individuals and encourage a habit of thrift among them. Recently, there had been increasing recourse to these schemes by institutions for whom these schemes were not originally intended.

Small Saving Schemes

1209. SHRI S.D.N.R. WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to promote small saving schemes;

(b) if so, the number of small saving schemes introduced in the different States; and

(c) the steps taken to further promote small saving schemes?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Govt. is implementing many programmes for promotion of small savings schemes.

(b) There are 11 on-going small savings schemes. The details are indicated in the enclosed statement.

(c) The steps to encourage more deposits include

attractive returns, extension of tax concessions, publicity and commission to agents. Apart from Central Government, wide publicity of these Schemes is also undertaken by the State Governments and extension agencies like Standardised Agency Systems (SAS), PPF agents and Mahila Pradhan Kshatriya Bachat Yojana (MPKBY) agents. Publicity media include radio, TV, news papers, boardings, banners, posters, pamphlets, film shows, and incentive schemes.

STATEMENT

Small Savings Schemes Currently in Force

	Name of the Scheme	Interest % p.a.	Current Description for current rate of interest
1.	@ Post Office Savings Account	5.5	Simple (individual account)
2.	* Post Office Recurring Deposit (5 years)	12.5	Compounded quarterly (maturity value is Rs. 833.40 for Rs. 10 denomination)
3.	* Post Office Monthly Income Scheme (6 years)	13.00	Payable monthly plus bonus at 10% of deposit at the end of 6 years
4.	* Post Office Time Deposit		Compounded quarterly & payable annually
	(a) 1 Year Deposit	10.5	
	(b) 2 Year Deposit	11	
	(c) 3 Year Deposit	12	
	(d) 5 Year Deposit	12.5	
5.	* N.S.C., VIII issue (6 years)	12	Compounded half yearly (maturity value is Rs. 201.50 for Rs. 100 denomination)
6.	** National Savings Scheme 1992 (4 years)	11	Payable annually
7.	@ Deposit Scheme for Retiring Govt. Employees (3 years)	10	Payable half-yearly
8.	@ Deposit Scheme for Retiring Employees of PSUs (3 years)	10	Payable half-yearly
9.	Indira Vikas Patra	13.43	Amount doubles in 5½ years
10.	Kisan Vikas Patra	13.43	Amount doubles in 5½ years
11.	@ Public Provident Fund Scheme (15 years)	12	Calculated on monthly balances

Legends :

- * Benefit under Section 80L available
- ** Benefit under Section 88 & 80L available
- @ Interest completely tax free

[Translation]

Benches of High Court in M.P.

1210. SHRI SUSHIL CHANDRA : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government of Madhya Pradesh has sent any proposal recently to the Union Government

regarding setting up of a bench of High Court in Bhopal and other places in the State; and

(b) if so, the action taken by the Union Government thereon?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) No, Sir.

(b) Does not arise.

Foreign Debt

1211. PROF. PREM SINGH CHANDUMAJRA :
SHRI PAWAN DIWAN
SHRI RAM TAHAL CHAUDHARY :
SHRI NAWAL KISHORE RAI :
DR. LAXMINARAYAN PANDEY :

Will the Minister of FINANCE be pleased to state :

(a) the total outstanding foreign debt on the country as on March 31, 1996.

(b) the total foreign exchange received under various heads during each of the last three years:

(c) the total amount paid to other countries as interest and principal, separately, alongwith the amount of loan taken from foreign agencies/countries during the above period, and

(d) the total amount to be paid by the country in the form of interest and principal during the current financial year?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) According to the latest available estimates, the total amount of external debt outstanding against the country as on September 30, 1995 was US Dollar 93.8 billion.

(b) Foreign exchange is received from various sources such as export proceeds, invisible receipts, external assistance, foreign direct and portfolio investments, NRI deposits, commercial borrowings etc. Various answers can be derived by consolidating different items given in Tables 6.1 and 6.8 in the Economic Survey 1995-96 presented to Parliament in February, 1996.

(c) Principal and interest payments during the last three years are as under --

	(USD in millions)		
	1993-94	1994-95	1995-96 (Provisional)
Principal	4.475	6.825	8.166
Interest	3.818	4.130	4.476
Total	8.293	10.955	12.642

Total Receipts from multilateral and bilateral sources on Government Account are as under

	(Rs. in Crores)		
	1993-94	1994-95	1995-96 (Provisional)
Receipt	9229.90	8613.70	7646.65

(d) The provisional estimates for total debt service payments in 1996-97 on external debt is US Dollar 14.5

billion. The projection of debt service is complicated by movements in cross-rates of various currencies in which our external debt is denominated, as well as fluctuations in international interest rates which are uncertain.

[English]

World Bank Loan

1212. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state

(a) whether the World Bank has agreed to provide loan for private infrastructure finance projects;

(b) if so, the purpose thereof alongwith the total loan to be provided;

(c) the details of the institutions/companies to whom the loan is likely to be provided;

(d) whether India's guarantee has been sought in this regard;

(e) whether the World Bank has also decided to provide \$5 millions to the Indian Government through IDA;

(f) if so, by when, and

(g) the details of the projects on which this loan is likely to be utilised?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (g) An agreement has been signed between the World Bank and M/s. IL&FS on 10.7.1996 whereby the World Bank will provide a loan of \$200 million to M/s. IL&FS for implementing infrastructure project under Private Infrastructure Financing (IL&FS) Project. Government of India has agreed to give Guarantee on this loan to the World Bank.

The sub-projects to be covered under the project are yet to be firmed up. However, the following sub-projects are included in the indicative list of projects under consideration

- (1) Panel Bypass
- (2) Delhi Noida Bridge
- (3) Tirupur Area Development Programme
- (4) Devas Water Supply Scheme
- (5) Bhubaneswar-Cuttak Bypass
- (6) Aditypur Bridge
- (7) Gujarat Roads
- (8) Moradabad Bypass

Under the above mentioned project the World Bank has also approved an IDA Credit of \$5 million to the Government of India as Technical Assistance for the Ministries/States and their agencies in selecting Investment Enterprises and Structuring Investment Projects that are proposed to be financed under the proposed IL&FS project.

[Translation]

Smuggling of Goods

1213. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to state :

(a) the details of the smuggled goods seized during the last year; and

(b) the value of the goods seized in the international market?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). During 1995-96, anti Smuggling agencies seized under the Customs Act 1962 goods valued at Rs. 634.82 crores. Seized goods include Gold, Silver, Indian and Foreign Currency, Electronic items, diamond and Narcotics. Except in the case of gold and silver it is not possible to state the international value of the seized good due to wide variation in the international prices depending on the quality, make and country of origin of the seized goods.

However, International value of seized Gold and Silver can be estimated on the basis of average price of Gold and Silver in the London bullion market. Based on these estimates, Indian International values of Gold and Silver seized during 1995-96 under the Customs Act, 1962 are given below :

	Indian Value (Rupees in Crores)	International Value
Gold	50.87	44.73
Silver	0.54	0.45

[English]

Disbursements by SIDBI

1214. SHRI RAJIV PRATAP RUDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Small Industries Development Bank of India recorded a substantial increase in sanction, disbursements and refinance during the year 1995-96;

(b) if so, the details thereof;

(c) whether States in Eastern and Northern-Eastern Region have been accorded low priority; and

(d) if so, the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). The Small Industries Development Bank of India (SIDBI) has reported that its total sanctions during 1995-96 amounted to Rs. 6056 crore and aggregate disbursements during this period stood at Rs. 4796 crore, registering growth of 29% and 42% respectively over the sanctions and disbursements during 1994-95. Of the total assistance, sanctions of refinance at Rs.

2609 crore and disbursements at Rs. 2124 crore in 1995-96 were higher by 56% and 72% respectively as compared with the figures for the previous year.

(c) and (d). No, Sir. As per information provided by SIDBI, the particulars of sanctions and disbursements in the Eastern and North-Eastern Region during the years 1994-95 and 1995-96 are as follows :

(Rs. in Crore)

	FY 1994-95	FY 1995-96	Growth
Sanctions	227.44	340.55	50%
Disbursements	154.99	293.13	89%

Promotion of Small Scale Industries

1215. SHRI BANWARI LAL PUROHIT : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have constituted any Expert Committee on Small Scale Enterprises;

(b) if so, whether the Committee has submitted its report to the Government;

(c) if so, the main recommendations thereof; and

(d) the other steps the Government propose to take to promote small scale industries in the country?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. The Government have constituted an Expert Committee on Small Enterprises headed by Shri. Abid Hussain (former Member, Planning Commission) on 29th December, 1995.

(b) No, Sir.

(c) In view of the reply to part (b) above, does not arise.

(d) The Government has taken various steps for promotion and development of small scale industries (SSI) in the country. These include provisions of excise concession, reservation of products for exclusive manufacture in the SSI sector, inclusion of SSIs in the priority sector for lending by commercial banks etc. A number of development schemes are also being implemented by the Government for providing infrastructure support and extension services for the SSIs through institutions like Tool Rooms and Small Industries Service Institutes.

Export of Poor Quality of Tea and Tobacco

1216. DR. RAMKRISHNA KUSMARIA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have received some complaints regarding export of poor quality of tea and tobacco to Russia;

(b) if so, the details of such cases detected during 1995 and 1996 so far; and

(c) the action taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir.

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

Income Tax Dues

1217. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the names of companies, individuals, Hindu Undivided Families (HUFs) and others against whom income-tax to the tune of Rs. 10 crores and above is outstanding as on July 1, 1996;

(b) the names of companies against whom the Central Excise Duty amounting to Rs. 5 crores and above is outstanding as on date; and

(c) the steps taken or propose to be taken to recover the above amount?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). The information is being collected and will be laid on the Table of the House.

Central Chit Fund Act

1218. SHRI PARASRAM BHARDWAJ :
SHRI MANIKRAO HODLYA GAVIT :

Will the Minister of FINANCE be pleased to state :

(a) whether the All India Chit Fund Federation has urged the Government to notify the Central Chit Fund Act, 1982; and

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

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). No such representation appears to have been received by the Government in the recent past. However, Chit Funds Act, 1982 has already been brought into force in 21 States/Union Territories on different dates.

Khadi Textiles

1219. DR. KRUPASINDHU BHOI : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have taken steps to popularise Khadi and Polyvastra.

(b) whether the interest of the buyers and consumers are also kept in view while taking steps to promote and popularise Khadi and Polyvastra; and

(c) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Yes, Sir.

(c) KVIC has taken number of steps for popularising Khadi and Polyvastra, some of which, are given below :

(1) Quality Assurance : In order to ensure the strength and evenness parameters as well as fastness properties towards washing, light and perspiration, necessary test are conducted. KVIC has brought out cotton, silk khadi shade cards and provided to the producing institutions.

(2) Product/Design Development : KVIC has developed light and medium variety Deni, specially to cater to the need of young generation. A Design Development Centre has also been established.

(3) A Project assigned to this National Institute of Design has been successfully completed and the designs have been brought into commercial production.

(4) KVIC and some KVIBs have conducted Fashion Shows to popularise Khadi.

Transfer Policy of High Court Judges

1220. SHRI JAG MOHAN : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government have received any representation for reviewing the transfer policy in respect of High Court judges;

(b) if so, the details thereof; and

(c) the steps taken by the Government in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c) The Government have accepted as a policy the recommendations of the Law Commission in its 80th Report that there should be a convention according to which 1/3rd of Judges in each High Court should be from any other State. The Government have decided that this may be implemented either by making initial appointments from outside or by effecting transfers Pursuant to this policy, transfer/appointment of Judges and Chief Justices of the High Courts are being made on the recommendation of the Chief Justice of India.

The Supreme Court of India in its judgement dt. 6.10.1993 had held that the initiation of the proposal for the transfer of a Judge/Chief Justice should be by the Chief Justice of India alone. As and when a representation is received from a judge regarding his transfer from one High Court to another it is sent to the Chief Justice of India for appropriate action.

E.P.I. Park in Kerala

1221. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) the allocation of fund provided by the Government for setting up the Export Promotion Industrial Parks in Kerala during 1995-96;

(b) the estimated cost of this project and the State Government participation in the same, and

(c) the details of the objectives of the project?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) (a) Allocation of fund for setting up Export Promotion Industrial Parks (EPIPs) is not made State-wise. An amount of Rs. 5.89 crores was released to the Govt. of Kerala on 24.3.95 for infrastructural development of EPIP at Kakkanad near Cochin. However, as the actual expenditure incurred on development works was only Rs 3 crores, no further Central Grant was released during 1995-96.

(b) The share of State Govt. in the total estimated cost of the project of Rs 26.56 crores has been indicated as Rs. 10 Crores.

(c) The objectives of the project include involving the State Govt. in export efforts and building up of infrastructure facilities for export oriented production.

[Translation]

Small Scale Units

1222. SHRI SUSHIL CHANDRA : Will the Minister of INDUSTRY be pleased to state :

(a) the number of small scale units set up in India so far and the number out of them not functioning at present, State-wise; and

(b) whether the credit of a major portion of export goes to small scale industries and if so, the steps taken by the Government to prevent these units from closure and also to increase their number?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) (a) The State-wise number of small scale units, registered with the State Directorates of Industries, as on 31st December, 1995 is given in enclosed statement-I. The latest information on number of units not functioning is available from the second Census of SSI units conducted with the reference year 1987-88. The State-wise number of units in the frame as on 31.3.1988 and number of units found closed out of them is given in enclosed statement-II.

(b) The small scale sector accounted for nearly 35% of country's total exports in 1994-95.

The important steps taken by the Government both at Central and State levels to prevent closure and for promotion of small scale units are :

- (i) Technical support through inspection, guidance, workshops, testing, tool rooms and product-cum-process development facilities.
- (ii) Entrepreneurship development.
- (iii) Marketing support through price and purchase preference and through National Small Industries Corporation and State Small Industries Development Corporation;
- (iv) Infrastructural support by the State Governments through developed industrial plots, sheds, etc. and
- (v) Priority sector lending by banks/financial institutions in addition to above, based on Nayak Committee recommendations. RBI has issued guidelines for prevention of sickness and rehabilitation of sick units. These guidelines, besides modification of definition of sick SSI units includes reduced rate of interest for rehabilitation, prompt viability studies, nursing programmes of identified sick units, setting up of cells at important regional centres and Hed Office to deal with sick industrial units and provision of expert staff, including technical personnel to look into technical aspects. State Level Inter-Institutional Committees look into cases of sick SSI units and recommend revival proposals.

STATEMENT-I

Statewise number of registered Small Scale Units upto 31st December 1995

S No	State/UT	Commulative No. of SIDO Units as on 31st December, 1995
1	2	3
1	Andhra Pradesh	1,53,454
2	Arunachal Pradesh	1,200 (E)
3	Assam	18,637
4	Bihar	99,645 (P)
5	Delhi	28,787 (P)
6	Goa	5,081 (P)
7	Gujarat	1,24,857 (P)
8	Haryana	93,179 (P)
9	Himachal Pradesh	13,819
10	Jammu & Kashmir	25,879
11	Karnataka	1,13,049

1	2	3	
12.	Kerala	1,33,605	(E)
13.	Madhya Pradesh	2,53,754	
14.	Maharashtra	81,297	
15.	Manipur	5,034	
16.	Maghalaya	1,977	
17.	Mizoram	2,880	
18.	Nagaland	731	
19.	Orissa	18,142	(E)
20.	Punjab	1,36,881	
21.	Rajasthan	70,577	(P)
22.	Sikkim	281	(E)
23.	Tamil Nadu	2,07,317	
24.	Tripura	7,311	(E)
25.	Uttar Pradesh	3,18,281	
26.	West Bengal	1,59,693	(P)
27.	Andaman & Nicobar Islands	957	
28.	Chandigarh	2,847	(P)
29.	Dadra & Nagar Haveli	412	
30.	Daman & Diu	610	(P)
31.	Lakshadweep	304	(P)
32.	Pondicherry	4,161	(P)
Total		20,84,639	

E - Estimated
P - Provisional

STATEMENT-II

Statewise number of Registered Small Scale in the frame upto 31st March, 1988 and Number of Units Found closed during second census of SSI Units (Reference Year 1987-88)

S. No.	State/UT	No. of Units	
		In the frame as on 31.3.88	Found Closed
1	2	3	4
1.	Andhra Pradesh	54,762	14,813
2.	Arunachal Pradesh	368	36
3.	Assam	8,290	1,732
4.	Bihar	53,602	14,992
5.	Delhi	18,293	5,042
6.	Goa	3,800	957
7.	Gujarat	58,328	19,159
8.	Haryana	48,493	20,981
9.	Himachal Pradesh	10,836	2,856

1	2	3	4
10.	Jammu & Kashmir	14,631	4,031
11.	Karnataka	59,469	14,628
12.	Kerala	38,030	11,763
13.	Madhya Pradesh	1,24,553	35,479
14.	Maharashtra	50,589	10,925
15.	Manipur	2,641	169
16.	Maghalaya	748	136
17.	Mizoram	1,247	306
18.	Nagaland	274	83
19.	Orissa	13,892	3,607
20.	Punjab	94,544	23,657
21.	Rajasthan	50,001	17,940
22.	Sikkim	106	36
23.	Tamil Nadu	83,267	24,825
24.	Tripura	1,443	603
25.	Uttar Pradesh	95,285	37,261
26.	West Bengal	94,362	37,310
27.	Andaman & Nicobar Islands	441	88
28.	Chandigarh	2,014	640
29.	Dadra & Nagar Haveli	185	33
30.	Daman & Diu	208	46
31.	Lakshadweep		
32.	Pondicherry	2,159	722
Total		9,86,861	3,04,856

[English]

Export of Wheat

1223. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether India has exported around 1 million tonne of nonduram wheat against in approved 2.5 MT by the Government last year;

(b) if so, the exports were made at prices nearly \$60 to \$100 per tonne less than the international prices;

(c) if so, the main reasons therefor;

(d) the loss suffered by the Government in foreign exchange thereby;

(e) the steps being taken to avoid such losses during 1996-97;

(f) whether any enquiry was conducted in this regard; and

(g) if so, the outcome thereof and the action taken against those held responsible?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) During 1995-96, 617211 MTs of wheat valued at Rs. 360.90 Crores at a unit price realisation of Rs. 5847.27 per MT (US \$ 175.27 per MT, conversion rate 1\$=Rs. 33.36) was exported.

(b) It is not possible to accurately compare the prices prevailing in the international and domestic markets on account of different varieties traded, variations in quality, and additional expenditure incurred in grading and packaging for exports.

(c) to (g). Do not arise.

[Translation]

Production of Coal

1224. SHRI DATTA MEGHE : Will the Minister of COAL be pleased to state :

(a) the number of coal mines in the country, State-wise.

(b) whether sufficient coal is being extracted from these mines.

(c) whether the Government are contemplating to close those mines which are not producing coal of good quality and in sufficient quantity;

(d) if so, the details of those mines; and

(e) the steps being taken by the Government to extract more and of good quality coal from these mines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) The Statewise number of coal mines under Coal India Limited and Singareni Collieries Company Limited in the country are as under :-

States	Number of Mines	
	CIL	SCCL
Bihar	183	
West Bengal	111	
Madhya Pradesh	136	
Uttar Pradesh	4	
Maharashtra	49	
Orissa	20	
Assam	6	
Meghalaya	1	
Andhra Pradesh	--	71
Total	510	71

(b) Coal is being extracted from these mines as per the production programme.

(c) and (d). No, Sir. Coal mines are closed only on the ground of exhaustion of reserves.

(e) The steps taken to increase production of coal from working mines are as under

(i) rationalisation and amalgamation of mines to form more viable units;

(ii) formulation and implementation of various schemes and projects to augment coal production;

(iii) implementation of cost saving and quality control measures;

(iv) implementation of measures for improved capacity utilisation of equipments.

(v) imparting training to workes and staff for skill upgradation; and

(vi) adoption of latest technology in the areas of production, quality control and communication.

[English]

Rise in Coffee Price

1225. SHRI S.D.N.R. WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been a sharp increase in the prices of coffee;

(b) if so, the reasons therefor.

(c) the steps taken to regulate and arrest the faster and frequent rise of coffee prices?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir.

(b) Does not arise.

(c) Does not arise in view of above.

Under Invoicing Export

1226. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are losing thousands of crores of rupees every year on account of wrong declaration of origin in expensive products and their under invoicing by foreign suppliers.

(b) if so, whether such malpractices and frauds by exporters/importers have come to the notice of the Government;

(c) if so, whether the Government propose to improve in the working methods for customs administrations to nab the importers/exporters declaring under invoicing; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d). Cases, allegedly involving misdeclaration and under invoicing of goods, are noticed from time to time in custom houses, which impact the Customs duties or the outgo of foreign exchange. Administrative arrangements, however, exist for the Customs officers to monitor the prices of import commodities as well as for exchange of information among the Custom house. Similarly, the Customs Houses also exchange information or intelligence relating to specific cases of misdeclaration and under invoicing, leading to detection of offences.

In addition, the law provides for confiscation of goods involving wrong declaration of description of value, besides imposition of fine and penalty. In serious offences, the persons involved are also prosecuted.

As a part of measures taken by the Government to deal with misdeclaration and invoice manipulation, preventive and intelligence activities have been strengthened and plans are underway to extend computerisation to all Custom Houses and to all Customs procedures and operations. These would help in containing as well as detecting the attempts made by unscrupulous importers/exporters.

[Translation]

Irregularities by Public Financial Companies

1227. DR. RAMKRISHNA KUSMARIA : Will the Minister of FINANCE be pleased to state :

(a) whether some irregularities by some public financial institutions in private placement issues of some companies have come to the notice of the Government as reported in Economic Times dated June 3, 1996;

(b) if so, the details thereof; and

(c) the action taken or proposed to be taken against the guilty persons?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c). Government is aware of the news item reported in 'The Economic Times' dated June 3, 1996. The investment referred to relates to investment by UTI, LIC and GIC in equity shares of Reliance Industries Limited for a total amount of about Rs. 945 crores. The issues of action to be taken, if any, is under examination.

[English]

District Industrial Centres

1228. SHRI PARASRAM BHARDWAJ : Will the Minister of INDUSTRY be pleased to state :

(a) the number of District Industry Centres set up in each State as on date, State-wise; and

(b) the incentives given by the Government to these centres?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The total number of District Industries Centres/Sub-DICs reported to the refunctioning as on date in the country is 475. A State/UT-wise statement is enclosed.

(b) The District Industries Centres are State Government offices. In terms of the decision of the National Development Council the District Industries Centres Scheme was transferred to the State Sector from the year 1993-94, prior to which, the District Industries Centre was a Centrally Sponsored Scheme. The Central Government however still provides District Industries Centres infrastructure/funds which are scheme specific.

STATEMENT

State UT-wise number of district industries centres functioning as on date in the country

S. No.	Name of the State/UT	No. of District Industries Centres Functioning
1	2	3
1.	Andhra Pradesh	23
2.	Assam	23
3.	Bihar	39
4.	Gujarat	18
5.	Himachal Pradesh	12
6.	Haryana	17
7.	Jammu & Kashmir	14
8.	Karnataka	20
9.	Kerala	14
10.	Madhya Pradesh	48
11.	Maharashtra	29
12.	Manipur	8
13.	Meghalaya	7
14.	Nagaland	7
15.	Orissa	13
16.	Punjab	17
17.	Rajasthan	33
18.	Sikkim	2
19.	Tamil Nadu	22
20.	Tripura	3
21.	Uttar Pradesh	66

(There are 45 districts where DICs are functioning 3 additional DICs are working in Bhind, Dhar and Raisen districts)

1	2	3
22.	West Bengal	20 (including 2 sub-DICs at Siliguri in Darjeeling district and Durgapur in Burdwan district.)
23.	Arunachal Pradesh	11 (5 District Industries Centres & 6 Sub-DICs)
24.	Mizoram	3
25.	Pondicherry	1
26.	Goa	1
27.	Dadra & Nagar Haveli	1
28.	Andaman & Nicobar Island	1
29.	Chandigarh	1
30.	Lakshadweep	-
31.	Daman & Diu	1
32.	Delhi	-
Total		475

Trade With Pakistan

1229. DR. KRUPASINDHU BHOI
SHRIMATI GEETA MUKHERJEE :

Will the Minister of COMMERCE be pleased to state

(a) whether there are reports that Pakistan intends to open up trade with India,

(b) whether the Government have received any request from Pakistan in this regard,

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

(d) the details of trade between India and Pakistan made during each of the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI ROMAIAH) : (a) There have been some media reports suggesting that Pakistan intends to open up trade with India. However, no official communication has been received on the subject from Pakistan

(b) No, Sir.

(c) Does not arise.

(d) The details of trade between India and Pakistan during the last three years are given below :

(Value in Rs. crores)

Year	Exports to Pakistan	Imports from Pakistan
1993-94	200.96	136.65
1994-95	179.71	165.61
1995-96	256.80	150.80

(Source : DGCI&S)

Foreign Investment

1230. SHRI JAG MOHAN : Will the Minister of INDUSTRY be pleased to state :

(a) the number of projects, involving foreign investment in the infrastructure sector like power, transportation, telecommunication and water supply have been approved since 1991,

(b) the amount of foreign investment assured for the infrastructure sector in those projects and

(c) the actual foreign investment made so far?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). 390 proposals, involving foreign direct investment have been approved in infrastructure sector like power, transportation and telecommunication during the period from August, 1991 to May, 1996. These proposals envisage foreign direct investment of Rs. 30300.85 crores.

(c) The sector wise data on actual foreign investment made is maintained by Reserve Bank of India. As per available data from Reserve Bank of India, during the period from 1.4.91 to 31.3.95, Rs. 378.08 crores of actual foreign investment have been made in these sectors.

Reports of C. & A.G.

1231. DR. LAXMINARAYAN PANDEY : Will the Minister of FINANCE be pleased to state :

(a) the ministry-wise number of queries in their reports made by Comptroller and Auditor General of India during each of the last three years;

(b) the number of Action Taken Reports have been conveyed as response and how many no Action Taken reports have been submitted,

(c) whether the Action Taken Notes are a mandatory procedure as a follow-up to CAG findings, and

(d) if so, the action have been taken against the Departments/Ministries who have failed to submit their Action Taken Notes?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (d). The information is being collected and will be laid on the Table of the House.

P.M.R.Y. in Delhi

1232. SHRI MRUTYUNJAYA NAYAK :
SHRI SOMJIBHAI DAMOR :

Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 1001 on March 8, 1996 regarding Prime Minister Rozgar Yojana and State :

(a) the details of applications returned to the Office

of the Industries, Government of NCT of Delhi by the Regional Office of Indian Overseas Bank, Punjabi Bagh, New Delhi during December, 1995 for want of some clarification;

(b) whether some applications are reported to have been delayed or misplaced in the above bank;

(c) if so, the action taken to fix the responsibility and to trace out the missing applications; and

(d) the date by which the loan is likely to be provided to those applicants, who are being delayed since October 15, 1993?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Indian Overseas Bank (IOB) has reported that six applications were returned during December, 1995 by the Regional Office, Delhi to the Office of the Commissioner of Industries, Government of National Capital Territory (NCT) of Delhi for reasons inter-alia including applicants not turning up and changing of activity/location of the business for which permission of the sponsoring agency was necessary.

(b) to (d). The bank has reported that no application was misplaced by the bank. However, one of the applicants has complained about delay in disbursement of loan. The bank has further stated that as soon as the original application or duplicate thereof, duly recommended, is received from the Commissioner of Industries, Government of NCT of Delhi, disbursement thereon will be considered on merits and as per norms. The bank has reported that as there was no delay/misplacement of applications by the bank, fixing of responsibility does not arise.

Housing Loan Fraud in N.I.A.

1233. SHRI SOUMYA RANJAN : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-item captioned "Housing loan fraud in NIA; officer commits suicide" appearing in the Financial Express of June 4, 1996.

(b) if so, the facts thereof;

(c) the reasons for not detection of such a scam by the Internal Audit/Vigilance Department of the Company or during Government audits.

(d) the reasons for not reporting the Scam to the police so far; and

(e) the efforts being made to ensure that the investigation of the Scam is handed over to the C.B.I. or any other independent investigation Agency?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (e). The New India Assurance Company Limited (NIAC) have reported that during the statutory audit in March

1996, certain irregularities came to light which led to suspect that an Administrative Officer and a Senior Assistant in collusion with each other have misappropriated a sum amounting to Rs. 13.45 lakhs during the period August 1993 to October 1995 in the drawal and disbursement of housing loans to employees under the Housing Loan Scheme of the Company. The officer concerned retired on 31.10.1995; disciplinary proceedings under CDA Rules have already been initiated against the concerned Senior Assistant by placing him under suspension. Both of them have confessed their role in the misappropriation and already an amount of Rs. 3.05 lakhs was recovered from them. An undertaking has been given by them that they would make good the loss by surrendering their immovable property to the Company. The matter will be resolved after completing necessary legal formalities. Investigations so far carried out do not suggest that the officer who committed suicide was in any way directly connected with the misappropriation made by the erring employees.

12.00 hrs.

... (Interruptions)

[English]

SHRI P.R. DASMUNSI (Howrah) : There was stoppage of work last night in the All India medical Insitute I gave a notice.

SHRI P.R. DASMUNSI : Mr. Deputy-Speaker Sir I gave a notice about the stoppage of work in the All India institute of Medical Sciences. This is a very urgent matter. (Interruptions)

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands) : Sir, I gave a notice about the strike in the All India Institute of Medical Sciences and the beating up of the doctors. The Home Minister should make a statement about it... (Interruptions)

[Translation]

MR. DEPUTY SPEAKER : Please sit down. I will allow all of you to speak one by one. But do not speak simultaneously. Please sit down. Shri Chandra Shekhar ... (Interruptions)

[English]

SHRI MANORANJAN BHAKTA : It is not fair. When the former Prime Minister is standing here to speak, the senior Member is disturbing. (Interruptions)

SHRI P.R. DASMUNSI : What is this? You have called him to speak.

SHRI MANORANJAN BHAKTA : Why is he disturbing? You have called Shri Chandra Shekhar to speak.

[Translation]

SHRI GEORGE FERNANDES (Nalanda) : Mr. Deputy Speaker, Sir, once you have entered zero hour, there is no question of any privilege. I know that when I sought to raise this matter yesterday you had not said any such thing. But a load has gone round in the country that you rejected it but I know that you had not done so. Sir, certain things have surfaced today wherein the Karnataka Chief Minister stated that the Central Electricity Authority... (Interruptions)

Sir, I request that my motion be accepted and taken up for discussion without delay

[English]

MR. DEPUTY SPEAKER I have asked him to speak. I will let you know of it Shri Chandra Shekhar

[Translation]

MR. GEORGE FERNANDES Sir what happened to my motion?

MR. DEPUTY SPEAKER I will let you know later

MR. GEORGE FERNANDES Before taking up anything else, you please let me know as to what would happen to my privilege motion. (Interruptions)

JUSTICE GUMAN MAL LODHA (Pali) : Mr. Deputy Speaker, Sir, it is a privilege motion

MR. DEPUTY SPEAKER : Please sit down. I too have read morning newspapers of today. Some newspapers have reported that the privilege motion has been rejected. It has not been rejected.

SHRI GEORGE FERNANDES Thank you, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER Documents have not reached me till now.

SHRI GEORGE FERNANDES : Sir, I had sent the documents to your secretaries there and then.

MR. DEPUTY SPEAKER These have not reached me so far. [English] I will go through them. That is all.

RE: KILLING OF LABOURERS IN JAMMU & AND KASHMIR

[Translation]

SHRI CHANDRA SHEKHAR (Ballia) : Mr. Deputy Speaker, Sir, I wish to draw your attention to a very tragic incident. Twelve poor people of Banskidh town of Balia district had gone to Kashmir for joins labour work. On the night of 6th July, they were reported killed by terrorists. Today is 19th but the Kashmir Government not sent any information about them their kill and kin till today. Yesterday, one of them who managed to revive,

reached Balia and he informed the family members of the persons concerned about the unfortunate incident. Then they sent me a fax message informing me of the sad incident. They also informed the District Magistrate on fax about it. The District Magistrate tried his best to establish contact with the authorities in Kashmir but in vain.

Sir, I had received the fax message at about 3 O' Clock and from that time till 11 O' Clock at night, I kept on trying to contact the Governor of Kashmir on phone but to no effect and every time I was informed that he was busy in some meeting. The people of my office also tried to establish contact but in vain. I phoned personally and the two man at the other end asked me my phone number which I told him. But till 11 O' clock at night, I could not speak to the Governor. When my secretary asked the secretary of the Governor, the latter informed that the Governor was very busy and despite all efforts, he could not be contacted.

Sir, I am not a very important person. But during 15-20 years of my parliamentary life it has been my first experience when I tried to establish contact with a Governor on phone and he could not be available on phone to speak to me for as long as 12 hours. Till today, it is not known whether those 12 persons have been done to death or some of them have survived and in which hospital they are? The Kashmir Government did not feel it necessary to inform the family members of the persons killed through the District Magistrate. I do not want to read here the latter that I have received from the family members of the persons concerned as it is full of anguish. In that latter they would perform the last rites of the persons killed as per the vedic system. They have asked for any this information in their latter. Sir, I would like to know from you whether Governor can be so busy that he is unable to telephone for as long as 12 hours. I would not utter a word against his dignity because all except the M.Ps., have dignity and if I say anything about to his dignity, it would be against his dignity. I wish no desire to hear him on phone. I would like to know whether it was not necessary for the government to send the necessary information to the family members after the last rites of these persons killed had been performed. I do not know whether the last rites have been performed or not. Twelve poor persons, who used to go to Kashmir every year for making bricks, died. I do not know as to what a person like me should do. People think that I am running the government or I have a say in the government.

I kept on trying to contact the governor on phone for 12 long hours but the governor would not talk. How long should we have to put up with such a state of affairs? (Interruptions)

Sir, the Hon'ble Home Minister is present here. If a policeman is indisiplined, you displace him. But can you impose any discipline on the Governor? Need he have no human feelings? Will the people be allowed to

be killed and thrown on the roads like dogs? Is it not the responsibility of the Government to inform the family members concerned?

Sir, I am raising this matter out of sheer helplessness. I do not know which the government would do in this regard but I would request that on such an issue involving human lives this august House should take some decision in such matters...*(Interruptions)*

[English]

MR. DEPUTY SPEAKER : Please listen to me.

[Translation]

Hon'ble Chandra Shekharji said that he is not an important person. But the fact is that for this House and for this country, he is very important and such a treatment should not have been voted out to him.

[English]

It is a reflection on the administration.

[Translation]

I request the government to take serious note of it.

SHRI CHAMAN LAL GUPTA (Udhampur) : Mr. Deputy Speaker, Sir, today Shri Chandra Shekhar fortunately raised this matter and I too got an opportunity to speak. I have been raising this matter since the beginning. In Kashmir, particularly in Doda district, people are being killed like cats and dogs and the government is taking no notice of it. There is no government worth the name in Kashmir. Yesterday also, about 1200 families were standing on roads with their cows, buffaloes, goats and their other belongings. Doda city has been totally paralysed for the last two days. I informed this government and also whole Hon. Home Minister, informing him of the tragic situation there. I have also informed the Prime Minister about it. But no action is being taken. Forces have been withdrawn from there. People have been compelled to leave their healths and homes. As for the police, you will be surprised to know that in 'Thathri' which is a terrorist-infested area, only seven policemen with '303 rifles' have been posted. The police have no means to tackle the situation there. The forces being deployed there say, "our duty is only during operations." They would not fight with the terrorists and would set up no posts there. Please tell us as to how people would stay there in such a sorry state of affairs.

Sir, I wish to bring to your kind notice that as many as 4 lakh people have been displaced and they are in a very desperate state. Doda district is a very sensitive area. People have lost their lives there but, they have not lost that place. Keeping in view the treatment meted out to them by the Central Government after the elections, people would be compelled to leave Doda district and as many as 4 lakh people would be seen looming in the streets of Jammu and Delhi. The hon. Home Minister is present here. He should make a

statement in this regard. Elections to State Assembly are proposed to be held in Kashmir but the precious lives are being lost in this manner. It is only yesterday that six tourists were killed. Today, Chandra Shekharji has raised this matter in Doda, at least 50 persons have been done to death till now. I would request the hon'ble Home Minister do make a statement in this regard, and assure us that the forces in Doda would be revamped so that people may be able to stay there. Till now, about 10,000 families have migrated from Doda and Udhampur Districts. I request you to ask the Home Minister to make a statement on this prevailing situation ...*(Interruptions)*

VAIDYA DAU DAYAL JOSHI (Kota) : The Home Minister should reply to it...*(Interruptions)*

[English]

SHRI SAT MAHAJAN (Kangra): What Shri Chandra Shekhar has said is not the question of Ballia constituency alone. He is the former Prime Minister and has been a sitting MP. If he is not heard, how are we going to face the people who ask what these MPs are doing? We must take exemplary action. A privilege motion should be brought against him. He refused to listen to the hon. former Prime Minister and an MP. So, I suggest that a privilege motion should be moved and he should be censured for his action.

SHRI MADHUKAR SARPOTDAR (Mumbai North-West) : While participating in the discussion on the Statutory Resolution in respect of the State of Jammu and Kashmir I pointed out this particular aspect that human beings are being killed over there and the Government is not taking cognizance of it. Everyday we have been listening that innocent persons in Jammu and Kashmir have been killed. Now Shri Chandra Shekhar has narrated a carnage story. Just a couple of days back six tourists were killed.

My only worry is whether a government is in existence over there. The Governor of J&K does not have time to talk to the respected former Prime Minister of the country. What is this state of affairs? Luckily the Minister of State for Home is from Kashmir. My question to him is, what is the present situation in J&K and what is the condition of human beings. I wish to know whether all these extremists have been arrested, whether military or the BSF are taking action against them, whether the police is taking cognizance of all the crimes committed by the extremists or whether our Government is going to have a dialogue with these extremists when everyday innocent persons are getting killed in the Kashmir area. So, my humble submission to the Government is that they should come out with full facts. For the last one week what are the developments that have taken place in J&K? They should place before this august body the factual data about what action has been taken by this Government against those people. Not only that, how many extremists have been arrested, against how many trial has been conducted, how many extremists have been punished and how many ran away

from police custody for all these inhuman activities? The Government should place before this august body that information also.

SHRI P.R. DASMUNSI (Howrah) : I think no Member is left out in this regard. We all join with the statement of Shri Chandra Shekhar in regard to situation prevailing in Kashmir. I am confident that the responsible Home Minister will react immediately as regards his stand and the stand of the Government. Similar incidents have been reported many times about the arrogance of the Governor and steps should be taken against him.

But I am on a different footing today for which I gave the notice... (Interruptions)

MR. DEPUTY-SPEAKER : I will give you a chance separately.

(Interruptions)

MR. DEPUTY SPEAKER : Please sit down. I will give you a chance.

SHRI P.R. DASMUNSI : I stand by your direction that you asked me only to contribute on this matter. I fully support the contributions made by several Members to share the concern of Shri Chandra Shekhar. I demand from the Home Minister instant reaction. I will be too happy if the Governor is immediately removed.

This is not the concern of Chandra Shekharji alone. I have got similar reports from several friends of mine, who have been badly treated by him, who were made to stand in queues for hours together and the Governor did not meet them even.

With these words I conclude. But I hope you will give me a chance again... (Interruptions)

COL. RAO RAM SINGH (Mahendergarh) : When the previous Government was there, in the Valley, there was a well-known saying, 'Welcome to the valley of fear where the Governor speaks only to the Prime Minister and the Prime Minister speaks only to God'. I mean, in the previous Government, even if the Home Minister rang up the Governor, the Governor would never come on the line.

If as Members of Parliament, we are going to be isolated in this manner, I think, unless we establish our own position in a proper manner, then, the position of Parliament would go down day by day. In the papers, in the media, in TV and everywhere, the position of the politician is going down and unless these things are taken up in a serious manner... (Interruptions)

MR. DEPUTY SPEAKER : That is all, please.

COL. RAO RAM SINGH : I hope, the Home Minister is one of the best Home Minister that we have got after a long time. I hope that he will take some action and would not be bulldozed by the Governor of Kashmir like the previous Home Minister was.

MR. DEPUTY SPEAKER : Shri Bangarappa, do you want to speak on this issue?

SHRI S. BANGARAPPA (Shimoga) : Yes, Sir. ... (Interruptions)

[Translation]

SHRI SHIVRAJ SINGH (Vidisha) : Sir, I have also been giving notice for the last four days but I am not getting an opportunity to speak. What will happen to my notice?

MR. DEPUTY SPEAKER : We will take up to the notice later.

(Interruptions)

SHRI SHIVRAJ SINGH : I want you protection. Our people are in trouble... (Interruptions)

[English]

MR. DEPUTY SPEAKER : We shall take up those notices separately. Why do you not listen to me? We are discussing some serious issues. I will give you a chance separately. Now, please sit down.

SHRI S. BANGARAPPA : Mr. Deputy Speaker, Sir, this is not a small matter. I hope you have understood the concern and the feeling of the entire House.

Actually, if this were to be the case in respect of the head of Government there, as Governor of the State of Jammu and Kashmir, then, think of the common man. The details were now narrated by the hon. Member, who is the former Prime Minister of the country. I think, with all the responsibility at his command, he had put across the issue in the right perspective and in the right manner.

As far as this aspect is concerned, we should join him. We should not, in future also, allow these incidents to happen at all. If this were to be case in respect of a person, who is the former Prime Minister and presently an hon. Member of this august House, then, I do not think that the common man is safe in the hands of such persons. It is up to the Government now. We expect from the side of the Government a categorical statement taking into consideration the sense and the concern across this august House as to what kind of a sternest action possible under the law could be initiated against such a person, who is heading the Government there.

It is a different thing if a popular Government is there. Yes, we will have to wait till a popular Government is installed in the State of Jammu and Kashmir. Till then, we have to hold the Governor responsible for all these incidents.

If this were to be the case, if at 11 o' clock or 12 o' clock he is not prepared to even say something over the phone, when the former Prime Minister is trying to locate him, I think, this is a matter of grave concern for this august House. I hope, the Government also will join with us as far as this serious matter is concerned and initiate action.

Moreover, as has been suggested by my friends sitting here. I think such matters have to be brought in under a Privilege Motion. Unless we do that, I do not think, these matters will see the light of the day and get the attention of the public. Also, such persons should understand what is it that we are meant for here in this august House. Therefore, I support what Chandra Shekharji has said and what the other hon. Members have said...*(Interruptions)*

[Translation]

PROF. RASA SINGH RAWAT (Ajmer) : People of Rajasthan have also been killed in Kashmir ...*(Interruptions)*

SHRI PRABHU DAYAL KATHERIA (Ferozabad) : Such a thing has happened with me as well. I also want to make my submission in this regard...*(Interruptions)*

[English]

MR. DEPUTY SPEAKER : Please listen to me.

(Interruptions)

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA) : Deputy Speaker, Sir, the statement made here on the floor of the House by our respected former Prime Minister, Shri Chandra Shekhar, regarding the behaviour and the attitude of the Governor of Jammu and Kashmir at a time when Chandra Shekharji was frantically trying to get in touch with him over telephone, Fax etc. to get to know the position regarding the fate of these poor labourers, workers from Balia of Uttar Pradesh who had gone there to earn their livelihood. The failure of the Governor to communicate or respond at all is certainly, I should say, a very extremely serious matter. Of course, as you know, in the past also there have been complaints, different types of complaints about the attitude and behaviour of this particular Governor.

I do not want to enter into a discussion on that. But as far as this complaint goes, Chandra Shekharji's complaint, we will, on behalf of the Government, certainly take up the matter very seriously with the Governor and make no pretends of the fact that we thoroughly disapprove of his conduct and we are very much displeased with the way he has behaved which amounts to a sort of, I should say, an insult to one of the top leaders of our country. It can happen to anybody. As hon. Members here have rightly said, if it can happen to Chandra Shekharji, it can happen to anybody. Several things have happened in the last few days, it is true. One is the killing of twelve labourers and another is the killing of group of tourists, Indian tourists and not foreign tourists.

I have received Shri Chamanlal Gupta's letter a few days back in which he has also alleged that our security forces had been withdrawn from that area, that is Doda, where firing was going on across the border from the

Pakistani side creating a lot of panic and terror on our side of the border, compelling many innocent people to run away with their belongings and livestock. I checked up on that matter immediately. Of course, firing is going on across the border. There is no doubt about it. It is increasing recently. It is an exchange of fire. It is not that the firing is only from the Pakistani side and our people are passive and quiet and do not do anything. It is not that.

I was informed by the authorities concerned that it is not correct to say that our security forces have been withdrawn from that sector. They have not been withdrawn at all. But there is heavy firing going on and some people have been evacuated from their villages and homes. There is no doubt about it. All these incidents taken together have to be reviewed in their proper context in the sense that - I have a feeling or rather I have an apprehension that with the proximity of the State Assembly elections coming closer, there are bound to be, in our opinion, some renewed attempts, more intensive attempts from across the border to create disturbances and violent incidents so that the whole election process and the mood of the people may be upset and disturbed.

I do not know whether all these incidents can be said to be interconnected. But it is not unlikely, it is not impossible, and we should expect some more things like this to happen in the days which are leading up to the elections. So, the Government has to, now as part of our own preparations, take some new steps, some firm steps to see that we do not allow anybody, particularly the external forces, in any way, to disturb the peace and normalcy here on our side because we are interested - all parties have agreed - that the elections must be held. It should be held and everybody is prepared to cooperate in participating in those elections. It is a very very important political issue as far as India is concerned.

Therefore, this may be provoking some people from the other side of the border to create more disturbances and this pattern of events may have something to do with that.

I am really sorry that innocent people of this type have been killed. They are labourers who earn their living by making bricks or something like that, they are poor people, they do not belong to Kashmir, but for running a living, they had to go there from outside.

About the tourists, of course, I think, they would be well-advised, in my opinion, not to take the risk of going there during these troubled times. It is not essential that the tourists must go there, just now. Perhaps it would be better to avoid an area which is prone to this kind of danger and risk...*(Interruptions)* But anyway, regarding the fate of these 12 labourers, the condition of their families and their dependents and what more is required to be done to help them, we will go into this matter immediately...*(Interruptions)*

SHRI P. UPENDRA (Vijayawada) : Sir, it is not correct to advise the tourists not to go there...*(Interruptions)* It is not correct for the Government to say like this...*(Interruptions)*

SHRI RAMESH CHENNITHALA (Kottayam) : Sir, it is not correct for the Government to say like this...*(Interruptions)*

SHRI INDRAJIT GUPTA : I am giving my opinion. You can give your opinion...*(Interruptions)*

SHRI P. UPENDRA : On the one side, you are holding the elections and on the other side, you are advising the tourists not to go there. What is this? ...*(Interruptions)* It is not correct for the Government to say like this...*(Interruptions)*

[Translation]

PROF. RASA SINGH RAWAT : Mr. Deputy Speaker, Sir, the morale of the terrorist is high...*(Interruptions)*

MR. DEPUTY SPEAKER : Please speak one by one.

(Interruptions)

[English]

MR. DEPUTY-SPEAKER : Let him complete his reply.

(Interruptions)

MR. DEPUTY-SPEAKER : He has not completed his reply. Let him complete his reply.

(Interruptions)

SHRI RAMESH CHENNITHALA : Can the Home Minister say like this?...*(Interruptions)*

[Translation]

SHRI GIRDHARI LAL BHARGAVA (Jaipur) : Please tell us whether people should go on Amarnath Yatra or not and how this Yatra will take place...*(Interruptions)*

[English]

SHRI P. UPENDRA : Sir, it is a serious matter. The Home Minister should amend his statement. On the one side, you are holding the elections and on the other side, you are advising the tourists not to go there. We are preparing for the elections now, and he is saying like this! What is this?...*(Interruptions)*

SHRI RAMESH CHENNITHALA : How will the people vote in the elections now?...*(Interruptions)*

[Translation]

MR. DEPUTY-SPEAKER : You please speak one by one.

(Interruptions)

[English]

MR. DEPUTY-SPEAKER : Let him complete his reply

(Interruptions)

MR. DEPUTY-SPEAKER : I will allow you. Please sit down. One by one, you can make your points. But let him complete his reply.

(Interruptions)

SHRI B.K. GADHVI (Banaskantha) : How can the Government of India abdicate its responsibility of protecting the tourists?...*(Interruptions)*

SHRI RAMESH CHENNITHALA : We have to provide succor to the people...*(Interruptions)* We are going to hold the elections and how can he say like this...*(Interruptions)*

MR. DEPUTY-SPEAKER : Let him complete the reply first. Please sit down.

[Translation]

SHRI LALMUNI CHAUBAY (Buxar) : Mr. Deputy Speaker, Sir, these dead bodies should be handed over to us so that we can perform their last rites. The question is whether the dead bodies are there or they have been disposed of? We are demanding the dead bodies. The hon. Home Minister should apprise us of action proposed to be taken by government in this regard ...*(Interruptions)*

[English]

MR. DEPUTY-SPEAKER : You have made your point. That is all. Let him complete the reply, please.

(Interruptions)

[Translation]

MR. DEPUTY-SPEAKER : Let him complete the reply

(Interruptions)

[English]

SHRI P. UPENDRA : Sir, it will send a wrong message to the world. On the one side we are talking about holding elections and on the other side you are creating an impression that normalcy is not there and you are advising the tourists not to go there. What signal is he giving to the world? Let him amend his statement, please...*(Interruptions)*

[Translation]

PROF. RASA SINGH RAWAT : It is a challenge for you. I want to know as to how people will go on the Amarnath Yatra.

MR. DEPUTY-SPEAKER : In this way, nothing will be heard. You may ask whatever you like after the Home Minister has completed his reply

[English]

MR. DEPUTY-SPEAKER : I will allow one by one.

(Interruptions)

MR. DEPUTY-SPEAKER : Let him complete the reply first.

(Interruptions)

MR. DEPUTY-SPEAKER : Please sit down.

SHRI INDRAJIT GUPTA : Sir, hon. Members can ask their questions and make their submissions after I have finished. But if there is any kind of move to prevent me from speaking, that is a different matter.

MR. DEPUTY-SPEAKER : No, no.

(Interruptions)

SHRI INDRAJIT GUPTA : They are welcome to do that. There can be some people who do not like to hear me speak at all.

[Translation]

MR. DEPUTY-SPEAKER : They have an anxiety. They want to ask something.

SHRI INDRAJIT GUPTA : I know what is going on.

[English]

About this request of the families of these 12 labourers, who had been killed, for dead bodies and all that, I cannot give any reply just now because the whole matter is to be gone into. It has to be seen what arrangements can be made. Of course, their requests should be respected and honored. I am sure that some arrangements will be made by the Government as soon as possible.

[Translation]

MR. DEPUTY-SPEAKER : Please try to find out whether dead bodies are there or not.

(Interruptions)

MR. DEPUTY-SPEAKER : You please sit down. You please try to listen to the Home Minister.

[English]

SHRI INDRAJIT GUPTA : I expressed my opinion which some hon. Members did not like. They may feel that, of course, this is a good time to encourage tourists to go there. I do not agree with it. That is all, whatever message it may send or not send.

[Translation]

SHRI CHAMAN LAL GUPTA : In August, more than one lakh people would go on Amarnath Yatra. You are not able to appreciate the message that would go down the country after your statement. You please tell us whether Amarnath Yatra would take place or not?

SHRI INDRAJIT GUPTA : It will positively take place. Last year also, people had gone on Amarnath Yatra amidst terror spread by the terrorists. People doubted that Amarnath Yatra would not take place as there was great danger. But Amarnath Yatra did take place last year as well.

SHRI GIRDHARI LAL BHARGAVA : Will you be able to protect the pilgrims?

SHRI INDRAJIT GUPTA : The Government had protected the pilgrims last year also. This year too, we will provide all protection last year a good number of people had gathered the cow age to participate in it. These people are not tourists. They go on Amarnath Yatra every year as pilgrims tourists are different people. They go only for sight seeing etc. I was mentioning about them only. It should want to go, they may go. We are not preventing anybody from going on the yatra.

[English]

But in view of the risk to which they are likely to be exposed, I had said that it would be better if they refrained from going there. If they want to go, they can go. Nobody can prevent them.

[Translation]

SHRI VIJAY GOEL (Delhi Sadar) : Mr. Deputy Speaker, Sir, this would send a wrong message outside the country. You are thus discovering the tourists and encouraging the terrorists. You should think over the matter before making such a statement in Parliament. *..(Interruptions)*

SHRI INDRAJIT GUPTA : When people are killed by bullets, what message does it send? *..(Interruptions)*

MR. DEPUTY-SPEAKER : You may ask anything after the Home Minister has replied you please listen to him.

(Interruptions)

SHRI VIJAY GOEL : Mr. Deputy Speaker sir, the law and order situation there is bad. Should people confine themselves to their homes? Does the hon'ble Home Minister want to send this message to the people of the country?

SHRI RAJIV PRATAP RUDY (Chapra) : Sir, if the Minister gives the correct answer, then what is the difficulty. *(Interruptions)*

MR. DEPUTY SPEAKER : You please sit down. You can seek clarification later. Let him reply first. Let him complete his reply.

[English]

SHRI INDRAJIT GUPTA : Sir, I think it is nobody's contention that the law and order situation in Kashmir - I am talking not about the whole Valley but only certain parts of the Valley - is normal or is under control or has been under control for quite a long time past. I do not think that anybody makes that contention. Whatever the message may be, the whole world knows about it, we also know about it.

JUSTICE GUMAN MAL LODHA : Then, how can you go in for elections?

SHRI INDRAJIT GUPTA : That is different question. All the parties have agreed to it. You please do not ask me only about it. This is a party decision including your party. A meeting was held and in that meeting, topmost leaders of your party were present and everybody unanimously agreed and welcomed the fact that elections were going to be held and appealed to all parties to cooperate in making the elections successful. So, why are you raking up that question again? If something happens which you think may require the whole position to be reviewed again, that can be done but we do not think such a situation has developed yet and we hope that it will not develop. We are also taking necessary measures. So, Sir, this is the position.

As regards labourers, their families, dependents, their bodies and all that, I can assure the House that we will find out the full facts very soon and see what can be done so that their families can recover their bodies.

[Translation]

MR DEPUTY SPEAKER : Mr Home Minister, I would like to ask a question from you. Mr Chaman Lal Gupta has raised the question you yourself said that law and order situation there is not good. Despite this, forces are being withdrawn from there. What have you to say about it?

SHRI INDRAJIT GUPTA : I said that forces have not been withdrawn. It is a wrong information.

SHRI CHAMAN LAL GUPTA : Sir I wish to bring it to the notice of the hon'ble Home Minister that he has perhaps not been able to go to Kashmir in the recent past. My submission is that these are two altogether different matters. The border incident, referred to, has taken place on the Pakistan border and as for withdrawing the forces, these have been withdrawn from Doda district which is about 400 kms. away from the border. The forces deployed at the posts have been withdrawn from the interior. This has triggered off migration from there. Thus, these are two different matters. At the Pakistan borders, our forces have been facing the situation quite creditably. It is a matter of great satisfaction for us but we are not able to cultivate thousands of acres of our land. You will have to pay attention to this aspect.

Sir, the other thing I wish to state is that the forces have been withdrawn some the interior of Doda district. As a result of withdrawal of forces from the post of Mahor in Udhampur and that of Chanar in Doda, 3-4 thousand families have come on the roads. That is why I say that these two issues are altogether different. If you give me time, I shall clarify further our forces say that they are not there to protect the posts and it is for the local police to protect these posts. But the local police have no means to do so. Therefore, do not mix up these two issues. You will have to give a categorical order not to withdraw the forces deployed there.

[English]

SHRI INDRAJIT GUPTA : Sir, I have taken full and serious note of what Shri Chaman Lal Gupta is saying regarding certain parts of Doda district and what is happening there. He has repeated his allegations that the security forces have been withdrawn from some areas. That was not my information. I will look into it again and if you want further detailed discussion on this matter, it cannot be done in this way. Sir, I would invite him to please come to my Chamber and I will invite some other senior officials also there who are keeping constant touch with the Jammu and Kashmir situation.

Let him repeat all his detailed information there. It would immediately be checked up and we would go into the whole matter. It cannot be done just by raising a question. (Interruptions)

[Translation]

SHRI RAJIV PRATAP RUDY : Mr. Deputy Speaker, Sir, The hon. Railway Minister is present here. People have been sitting on a peaceful dhama since 7.00 A.M. today. G.R.P.F. opened fire. Two persons were killed in Sonepur. More than 15 persons have been injured. The movement of trains under the N.E. Railway has been suspended. The hon. Minister has made an announcement on the question of Railway bridge. The Bihar Chief Minister had said that the railway bridge would be constructed at Sonepur between Pahaleja and Digha. Saran district was agitated over this issue. In Sonepur, people were staying a peaceful dhama on the railway tracks. Today morning, Government Railway Protection Force opened fire there. The persons have been killed. (Interruptions)

[English]

MR DEPUTY SPEAKER : I will allow all of you. Please sit down now.

[Translation]

SHRI RAJIV PRATAP RUDY : Many persons have been seriously injured. They have been admitted in P.M.C.H. Dead bodies are still lying on the railway tracks. The movement of tracing in N.E. Railways has been suspended. The hon. Minister is sitting here. After killing people the police have tried to remove their dead bodies from the tracks. More than 10,000 people are standing on the railway lines. More than twenty persons are admitted in the railway hospital or in P.M.C.H. The condition of all of them is very serious. I would like to know the circumstances under which the Government Railway Protection Force opened fire today at 7 A.M. on the people demonstrating peacefully and why the entire district is agitated. I would request the hon. Railway Minister to visit Sonepur where a railway bridge is to be constructed, without delay and arrange to pay

by way of compensation, Rs. 5 lakh to the next of kin of each of those killed, and Rs. 1 lakh to each of those injured and also offer condolences to the families of the deceased and provide jobs to the members of these families and thus solve this problem. He should also take necessary action against the officers of the Government Railway Police Protection Force who opened fire on the peaceful demonstrations. I would request the hon. Minister to give his reply in this regard...*(Interruptions)*

SHRI PRABHU DAYAL KATHERIA : Mr. Deputy Speaker, my question is very important. There is a danger to our lives...*(Interruptions)*

DR. MURLI MANOHAR JOSHI (Allahabad) : Mr. Deputy Speaker, I would like to know the attention of the House to a very important matter. *(Interruptions)*

[English]

MR. DEPUTY SPEAKER : I have allowed him.

[Translation]

SHRI MOHAMMED ALI ASHRAF FATMI (Darbanga) : Under which rule, do you allot time? Are we not members here?...*(Interruptions)*

[English]

MR. DEPUTY-SPEAKER : It is my discretion.

(Interruptions)

SHRI MOHAMMAD ALI ASHRAF FATMI : *

MR. DEPUTY-SPEAKER : I have got a list. Please sit down.

SHRI MOHAMMAD ALI ASHRAF FATMI : Sir, I am requesting you since yesterday...*(Interruptions)**

MR. DEPUTY-SPEAKER : I have been supplied a list by the Office and I am selecting from that.

SHRI MOHAMMAD ALI ASHRAF FATMI : * There must be some system...*(Interruptions)*

MR. DEPUTY-SPEAKER : How do you say that?

SHRI MOHAMMAD ALI ASHRAF FATMI : Sir, there must be some system. There was a system in the last Session.

MR. DEPUTY-SPEAKER : I am allowing a system which is already in force.

(Interruptions)

RE : COMPREHENSIVE TEST BAN TREATY (CTBT)

[Translation]

DR. MURLI MANOHAR JOSHI (Allahabad) : Mr. Deputy Speaker, Sir, I wish to draw the attention of the House and the Government to a very important question.

* Expunged as ordered by the Chair.

This question pertains not only to the dignity of this House but also to the sovereignty and integrity of the country.

It was, of late reported in the newspapers that the USA sent a notice to the Government of India on the 2nd July, threatening therein that if the Government of India did not amend its patent laws in the manner desired by the USA the latter would not try to penalise India but would also take the matter to the W.T.O. The USA had given 15 days time to India for doing the needful. I do not know how our Government reacted to it and why it did not inform this House and the country about it so far? Nobody knows the shape of things to come. It is also reported that the Government of India has invited Mr. Canter, U.S. Commerce Secretary to India for talks in this regard. Now, as reported in some sections of the press the USA has deliberately chosen to pressurise India for shaping our patent laws as per their wishes at a time when India is refusing to sign the CTBT. As reported in the 'Business Standard', it is apprehended that the USA has deliberately and wilfully chosen this time for the purpose. I do not know the reaction of the Government of India in this regard. Will it agree to change our patent laws in Deference to the wishes of the USA? The USA has kept India and all the countries in their priority-watch-list, as per the documents brought out by the U.S.I.S. It appears that the USA wants to act as an international policeman in the matter of TRIPS and the intellectual property Rights and wants every country to adjust its laws according to the wishes of the USA. Otherwise it would impose all sorts of sanctions and penalties on countries choosing not to toe their lines. I would like to know as to how our Government reported to this sorry state of affairs during these 15 days and why it did not take the country into confidence as regards its response to the situation. Parliament is in session these days. Within 60 days of its response. The Government of India would either have to go to the W.T.O. with the US Government or would have to talk over the matter with the USA. We would like to know what negotiations the Government of India propose to enter into with the USA and how far it proposes to compromise with the sovereignty of the country.

I wish to draw the attention of all the members towards the serious situation. Paswanji, Indrajit Guptaji, Somnath Chatterjee and Nirmal Kantiji have all along been raising this issue and impressing upon the Government of India never to agree to amend our patent laws under pressure from the USA and thus compromise with the sovereignty and integrity of the country.

I can understand that keeping in view our international commitments, may have to amend our patent laws. But it is only this House and our Government to decide as to what those reforms should be and how they are to be brought about. No other country can dictate terms to us in this regard and if any country has dared to do so. If our Government should tell us as to how it proposes to meet the situation.

I would like to submit that last time also the Government had brought toward a Bill to amend Patents Act but it could not get through in the Rajya Sabha and a Committee was constituted therefor. I would like to know whether the Government gave serious thought to the evidences placed before the said committee by the experts, industrialists, M.Ps and common people of our country. Therefore, I would request the Government to place its response before this House and the country, apprising us of the contents of the said notice of the USA, the nature of pressure exerted on us, and assuring us that the Government would not make any much amendment in the law as may come in conflict with the dignity of the House and sovereignty and integrity of the country.

[English]

SHRI SOMNATH CHATTERJEE (Bolpur) : There should not be any off the cut response on this. We want a proper discussion. This is a very vital issue.

MR. DEPUTY-SPEAKER : Listen to him. Please sit down.

SHRI SOMNATH CHATTERJEE : Last time, the Bill was rightly stalled, if I could use that expression, and was not passed in the Rajya Sabha. Here the Government was able to get it passed because of its mathematical number. It is a very vital issue. We want the Government to have a proper discussion on this before suddenly bringing it again before the House. This is a matter on which depends the future of our country.

SHRI RAM NAIK (Mumbai North) : At least we should know the facts.

SHRI SOMNATH CHATTERJEE : Therefore, I am suggesting to have a proper material, a proper discussion on it. I am actually supporting you on this issue. For a change you have raised a very relevant issue.

DR. MURLI MANOHAR JOSHI : Thank you. I always raise relevant issues.

[Translation]

SHRI GEORGE FERNANDES : Some preparations are afoot here to meet the situation arising out of the promise exerted by the USA to have the Patents Act amended and Somnathji has rightly demanded a discussion on it. Last time, the government got it passed here on the basis of their majority in the House and sent to Rajya Sabha but it was then stalled there by these very people who are now in the government. Now the same set of people are here. Besides, members who had got the Bill passed last time are now the supporters of the government. As such, the USA would try to pressurise us at every step and, therefore, we are feeling greatly disturbed and apprehensive. Sir, this matter has been raised in this over and over again and it is understood that the government have

already drafted the amendment proposed to be made in the Act.

Mr. Canter, who was to come here, has been asked to postpone his visit for sometime so as to allow us time to carry out necessary amendment in the Act. Therefore, the views of the government in this regard should be placed before the House. *(Interruptions)*

I agree with Shri Somnath that there should be a comprehensive discussion here on the issue. But before that, full facts should be placed before the House.

[English]

SHRI SOMNATH CHATTERJEE : I said that before it is brought here, there should be a proper discussion on the material. *(Interruptions)*

[Translation]

SHRI GEORGE FERNANDES : So these persons have made some preparation. Somnath Babu. That is my complaint. Here so many such things are happening about which you do not know. For example the governor has been appointed the other day but the Home Minister said that he did not know. *(Interruptions)*

[English]

MR. DEPUTY SPEAKER : It is better if a motion is brought.

SHRI SOMNATH CHATTERJEE : Shri George, if you have better information opposing the government there. *(Interruptions)*

[Translation]

SHRI PR. DASMUNSI (Howrah) : Sir, the time would run out. My question is very important. *(Interruptions)*

SHRI JASWANT SINGH (Chittorgarh) : Now that this matter has been raised and, as stated, the Business Advisory Committee has fixed 30th July for discussion thereon. But it would be futile to hold discussion on the 30th July because the conference will commence in Geneva on the 29th July. So we should know the stand of the government before that. Government should let us know its views in this regard. Both these issues are interlinked. Therefore, the government should apprise us of its stand so that we discuss it here before the 30th. *(Interruptions)*

DR. MURLI MANOHAR JOSHI : I only wanted to know the response of the government in this regard. Will some Hon. Minister tell us the views of the government in the matter as it is a very important issue? I would also like to know whether the U.S. Commerce Secretary or his trade representative has been invited here. *(Interruptions)*

[English]

MR. DEPUTY SPEAKER : Would the Hon. Minister like to say anything on this?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM SHRI SRIKANTA JENA : Sir, on CTBT there was discussion...(Interruptions)

SHRI GEORGE FERNANDES : No, it is not about the CTBT. It is about the Patents Bill. It is about the WTO and America.

[Translation]

SHRI SRIKANT JENA : I was not in the House. I have come just now. I do not know.

DR. MURLI MANOHAR JOSHI : The Parliamentary Affairs Minister should keep his ears open...(Interruptions) We were discussing...(Interruptions)

[English]

MR. DEPUTY-SPEAKER : Do you want to say anything on the Patents' Bill.

SHRI SRIKANTA JENA : No, Sir.

SHRI SOMNATH CHATTERJEE : There is some difference between Dr. Joshi and Shri Jaswant Singh.

DR. MURLI MANOHAR JOSHI : There is no difference.

SHRI SOMNATH CHATTERJEE : Of course, there is.

DR. MURLI MANOHAR JOSHI : There is no difference. We said that it should be debated. At least, there is no difference between you and me. When you support me, the matter is over.

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) : Dr. Joshi, judging from his expressions when he was the Minister of Finance, one really does not know where he stands now.

DR. MURLI MANOHAR JOSHI : You will see. When you have a discussion you will see what is our...(Interruptions)

[Translation]

Let there be a discussion. Please come in the House.

[English]

SHRI NIRMAL KANTI CHATTERJEE : We will have both of you as speakers.

DR. MURLI MANOHAR JOSHI : You will see how the party responds to it.

[Translation]

Are you ready for a discussion on this issue ?

MR. DEPUTY SPEAKER : At present, there is no response from there side, Joshiji. We will see later.

SHRI CHANDRA SHEKHAR (Ballia) : Mr. Deputy Speaker, Sir, Murli Manohar Joshiji has raised very important question and just now George Saheb informed that some documents had been prepared. But, the fact is that the documents had been prepared earlier as

well and these were placed before the country all of a sudden. Nobody knew about them. Policies were framed and today we are faced with a very grim situation. I do not know whether Jaswant Singhji agrees with the issue raised by Shri Murli Manohar Joshi or whether, on this side, the Hon'ble Home Minister is in agreement with Shri Chidambaram on this issue. This Parliament is in a very strange situation and the policies in the country is also in an equally strange state. Therefore, for us, what Joshiji said assumes great importance. Before some ready-made thing is brought before us, it would be better that we all sit together and through out the issue by discussion because concealment of facts at this stage would not pay off. There are differences on that side as also on this side.

SHRI JASWANT SINGH : I will take a minute because Somnathji has refused to it again and again. Chandra Shekharji also repeated that there are differences between ourselves. Let me make it very clear that there can be differences anywhere but never between me and Joshiji...(Interruptions)

[English]

SHRI SOMNATH CHATTERJEE : You differed from Joshiji's stand. You have now agreed with him.

DR. MURLI MANOHAR JOSHI : You should be happy about whatever he says.

[Translation]

Your confession should be removed.

[English]

SHRI SOMNATH CHATTERJEE : I hope both of you will speak on the subject.

DR. MURLI MANOHAR JOSHI : I say yes, and the confusion which you are creating will be completely...(Interruptions)

SHRI SOMNATH CHATTERJEE : It will be noticed by everybody that always there is a confusion.

There is no confusion. You are trying to create confusion where there is none. You have every right to be confused yourself but you have no right to confuse the House.

SHRI CHANDRA SHEKHAR : The quarrel in public in order to agree in private.

[Translation]

Sir, I had read earlier about them, where they agree and where they do not. We know only throe press report and view express. If there is agreement even on one side, this will pave way for right decision. If the BJP is total agreement with this Murli Manohar Joshi, then it pertends well for the country. But this agreement must be lasting so that Murli Manoharji and Somnathji may be able to sit together and discuss the problems of the country. That is the need of the hour but the trouble is that we never agree on any problem. Therefore, there must be atleast area for agreement.

Sir, I would only say that before the rising this issue Shri Murlī Manohar Joshi rightly emphasized the need for mutual exchange of views. This will eliminate the chances of someone coming with some ready-made device in the nick of time and compelling us to vote to the other side on pain of dismissal or otherwise of the government. Such a situation should not be allowed to be cheated...*(Interruptions)*

[English]

SHRI NIRMAL KANTI CHATTERJEE : We joined the WTO not as a consequence of Parliament decision. On a midnight after the Session, the Expensive met and we joined the WTO. Therefore the whole thing has to be discussed and decided *de novo*.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Mr. Deputy Speaker, Sir, I wish to raise an important matter that appeared on the front page of a newspaper. Mr. Deputy Speaker, I will allow you

[English]

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) : Shri Jaswant Singh has made a statement as the Minister of Finance. We will give the proof. Dr. Joshi, do not worry. I am with you...*(Interruptions)*.

MR. DEPUTY-SPEAKER : I have allowed him

(Interruptions)

SHRI PR DASMUNSI (Howrah) : Mr. Deputy-Speaker, Sir, I am trying to say that the All India Institute of Medical Sciences (AIIMS) is one of the prime institutions of the country and that too in the capital...*(Interruptions)*.

[Translation]

SHRI PRABHU DAYAL KATHERIA : I wish to raise an important matter

[English]

MR. DEPUTY-SPEAKER : I will allow you. Why don't you listen to me?

SHRI PR DASMUNSI : In that very prime institution, yesterday in the late afternoon in the name of visiting a patient, hoodlums deliberately penetrated, rather invaded the institution and tried to see the patient in spite of the objection of the doctor and assaulted the doctor. When the nurses wanted to protect the doctor, even they were assaulted. They were armed with knives and lethal weapons. The medical staff were injured. When they tried to prevent them, they took the name of very high-ups of the Delhi Government. Not only that, when they resorted to strike to protest against this injury, those hoodlums went out and met the high-ups to see that the Director of the AIIMS stopped the strike immediately. The doctors and nurses are in panic. I understand that till now, nobody has been arrested

because of the fear of the very big man of the Delhi Government.

I demand that the hon. Home Minister immediately inquire and arrest those culprits because till now patients are waiting outside the Institute. Doctors are panicky, nurses are panicky because the fascist forces have invaded the hospital with knives and daggers. In the daylight they are still dancing. They say, "If any one of us are caught we will again see you and teach you a lesson." This kind of things are happening in the Capital.

I demand that they should be arrested and full security and protection should be given to the Doctors and the medical staff of the AIIMS.

MR. DEPUTY-SPEAKER : Prof. Ajit Kumar Mehta.

(Interruptions)

[Translation]

SHRI JAI PRAKASH AGARWAL (Chandni Chowk, Delhi) : Doctors are being intimidated and threatened that police cases would be made out against them

(Interruptions) Many times such incidents have taken place in which the name of the Chief Minister has figured...*(Interruptions)*. Those doctors have been intimidated...*(Interruptions)*

[English]

MR. DEPUTY-SPEAKER : The House stands adjourned till 2 p.m.

13.00 hrs.

*The Lok Sabha then adjourned for Lunch till
Fourteen of the Clock*

14.06 hrs.

*The Lok Sabha re-assembled after Lunch at Six
Minutes past Fourteen of the Clock*

(Mr. Deputy-Speaker in the Chair)

PAPERS LAID ON THE TABLE

Annual Report on the working of Industrial and commercial undertakings of the Central Government and notifications issued under Essential Commodities Act, 1955

[English]

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : Sir, I beg to lay on the Table :-

- (1) A copy of the Annual Report (Hindi and English versions) on the working of the Industrial and Commercial Undertakings of the Central Government (Public Enterprises Survey) for the year 1994-95 (Volumes I to III).

[Placed in Library. See No. LT-125/96]

- (2) A copy the Newsprint Control (Amendment) Order, 1996 (Hindi and English versions) published in Notification No. S.O. 36(E) in Gazette of India dated the 11th January, 1996, under sub-section (6) of section 3 of the Essential Commodities Act, 1955.

[Placed in Library. See No. LT-126/96]

Notifications under Companies Act, 1956 and Economic Survery 1995-96.

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : Sir, I beg to lay on the Table :-

- (1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 620A of the Companies Act, 1956 :-

- (i) G.S.R. 148 published in Gazette of India dated the 30th March, 1996 declaring certain companies to the 'Nidhis' subject to the directions specified in the Notification.
- (ii) G.S.R. 207 published in Gazette of India dated the 18th May, 1996 declaring certain companies to the 'Nidhis' subject to the directions specified in the Notification.
- (iii) G.S.R. 230 published in Gazette of India dated the 8th June, 1996 declaring certain companies to the 'Nidhis' subject to the directions specified in the Notification.
- (iv) G.S.R. 248 published in Gazette of India dated the 15th June, 1996 declaring certain companies to the 'Nidhis' subject to the directions specified in the Notification.

[Placed in Library. See No. LT-127/96]

- (2) A copy of the Chartered Accountants (Amendment) Regulations, 1996 (Hindi and English versions) published in Notification No. 1-CA(7)30/95 in Gazette of India dated the 13th March, 1996, under section 30B of the Chartered Accountants Act, 1949.

[Placed in Library. See No. LT-128/96]

- (3) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 642 of the Companies Act, 1956 :-

- (i) The Cost Accounting Records (Footwear) Rules, 1996 published in Notification No. G.S.R. 186(E) in Gazette of India dated the 12th April, 1996.
- (ii) The Cost Accounting Records (Shaving Systems) Rules, 1996 published in Notification No. G.S.R. 202(E) in Gazette of India dated the 7th May, 1996

[Placed in Library. See No. LT-129/96]

- (4) A copy of the "Economic Survey 1995-96. An Update" (Hindi and English versions).

[Placed in Library. See No. LT-130/96]

SHRI NIRMAL KANTI CHATTERJEE : Has the copy been laid just now?

SHRI P. CHIDAMBARAM : Yes.

SHRI NIRMAL KANTI CHATTERJEE : Sir, how is it that he is laying the copy now and the same was available at the Counter one hour before?

SHRI P. CHIDAMBARAM : It might have probably been laid at the Counter also.

Review of the working of and Annual Report of Birds Jute and Exports Ltd. and Statement Showing reasons for delay in laying these papers, etc.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA) : Sir, on behalf of Shri R.L. Jalappa, I beg to lay on the Table :-

- (1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619 a of the Companies Act, 1956 :-

- (a) (i) Review by the Government of the working of the Birds Jute and Exports Limited, Calcutta, for the year 1994-95.
- (ii) Annual Report of the Birds Jute and Exports Limited, Calcutta, for the year 1994-95, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon

[Placed in Library. See No. LT-131/96]

- (b) (i) Review by the Government of the working of the Jute Corporation of India Limited, Calcutta, for the year 1994-95

- (ii) Annual Report of the Jute Corporation of India Limited, Calcutta, for the year 1994-95, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

- (2) Two statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT-132/96]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Fashion Technology, New Delhi, for the year 1994-95, alongwith Audited Accounts
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Institute of Fashion Technology, New Delhi, for the year 1994-95.

- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT-133'96]

- (5) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Jute Industries Research Association, Calcutta, for the year 1994-95, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Indian Jute Industries Research Association, Calcutta, for the year 1994-95.

- (6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library. See No. LT-134'96]

14.08 hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA): Sir, with your permission I rise to announce that Government Business during the week commencing Monday, the 22nd July 1996 will consist of -

- 1 Consideration of any item of Government Business carried over from today's Order Paper.
- 2 General Discussion on the Railway Budget for 1996-97
- 3 Submissions to the Vote of the House Demands on Account (Railways) for 1996-97
- 4 General Discussion on the General Budget for 1996-97.
- 5 Submission to the Vote of the House Demands on Account (General) for 1996-97
- 6 Discussion and voting on the Demands for Excess Grants (General) for 1993-94.
- 7 Consideration and passing of -
 - (a) the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Bill, 1996.
 - (b) the Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances (Amendment) Bill, 1996.
8. Discussion on the Statutory Resolution seeking disapproval of the Constitution (Scheduled Tribes) Order (Amendment) Ordinance, 1996

and consideration and passing of the Constitution (Scheduled Tribes) Order (Amendment) Bill, 1996.

As Members are aware, the General Budget for 1996-97 will be presented on Monday, the 22nd July 1996 at 5.00 p.m.

[Translation]

SHRI RAM TAHAL CHAUDHARY (Ranchi) Mr Deputy Speaker, Sir, I request that the following items may be included in the next weeks business -

- 1 Compensation should immediately be paid to the families displaced by the multi-purpose Swanarekha Project in my constituency, Ranchi and facilities like employment, transport, media rehabilitation, development etc. should also be provided to the people of several other families there.
- 2 Loans upto Rs. 10,000 advanced to the fames in Bihar be waived, as per the announcement made by the Central and State Governments in 1990.

SHRI NANDKUMAR SAI (Raigarh) Mr Deputy Speaker, Sir, I request that the following items may be included in the next weeks business -

- 1 Need to provide without delay irrigation facilities in all the Paths like Pandarapath, Shradhpath, Kadampath, Jampak etc. of Jaipur sub-division in Raigarh district of Madhya Pradesh
- 2 Need to establish a centre for manufacturing injections administered after snake-bite in Farsabahar development block of Raigarh district of Madhya Pradesh, in view of the abundance of dangerously poisonous snakes like 'Karet' and 'Nag' there.

[English]

SHRI CHITTA BASU (Barasat) I request that the following two items may kindly be included in the next week's business -

- 1 Indo-Bangladesh relation in general and the Government's stand in relation to sharing of Ganga waters in particular.
- 2 Infrastructural development in West Bengal with foreign collaboration.

SHRI BASU DEB ACHARIA (Bankura) Sir, I would like to make a submission and request the Minister to include the following for discussion -

1. Acute power and water shortage in Delhi which is continuing for long time. There is no sign of improvement of power and water supply. Short term and long term measures should be taken to give relief to the people of Delhi.

2. Asansol-Durgapur-Raniganj area is very fast growing. But the subscribers are facing hardship in the absence of an Integrated Telephone Exchange. Such Exchange should be set up there to cover the entire area from Barakar/Chittaranjan to Ganagarh and neighbouring Adra. Bankura should be brought under this Integrated Exchange.

[Translation]

SHRI JAI PRAKASH AGARWAL (Chandni Chowk, Delhi) : Mr. Deputy Speaker, I request that the following two items be included in the next week business :

1. Need to amend certain clauses of Delhi Rent Control Act to remove lacuna therein.
2. Need to allot plot at commercial rate on 'no-profit-no-loss' basis to the chemical godowns in old Delhi and to allow their head quarters to function from their existing premises.

DR. SATYANARAYAN JATIA (Ujjain) : Mr. Deputy Speaker, I request that the following items be included in the next weeks business :

1. Need to withdraw the increase effected in the electricity rates in Madhya Pradesh and to rectify the anomalous situation of demand and supply of electricity.
2. Need to pay Rs. 2 lakh as compensation to next of kin of persons killed in the accidents in Ujjain and Hardwar and to make adequate security arrangements for the pilgrims.

[English]

SHRI V. DHANANJAYA KUMAR (Mangalore) : Hon. Deputy Speaker, Sir, I request that the following items may be included in the next week's agenda :

1. To review and revitalise the National Malaria Eradication Programme for effective control of Malaria spread and to route out malaria epidemic in the country.
2. To draw up an effective programme to control sea erosion by providing breakwater walls and sea erosion protection walls along the Eastern and Western coasts of the country.

MR. DEPUTY-SPEAKER : Dr. Ramesh Chand Tomar - Absent.

SHRI ANIL BASU (Arambagh) : Mr. Deputy Speaker, Sir, I request that the following may be included in the next week's agenda :

Telephone installed at the various village panchayats in Arambagh, West Bengal are not functioning and no service and maintenance have been undertaken by the Telecom. Department to make the telephones working.

SHRI HARADHAN ROY (Asansol) : Mr. Deputy Speaker, Sir, I request that the following may be included

in the next week's agenda :

1. Situation arising out of fire, gas and subsidence which are taking place in and around Asansol-Raniganj coal mines. Immediate remedial measures should be taken to protect the lives and property.
2. LPG consumers of West Bengal are facing hardship to get connection as well as to replace their cylinders. There is urgent need for setting up of more LPG bottling plants and appoint more dealers.

14.16½ hrs.

ELECTIONS TO COMMITTEES

(i) Spices Board

[English]

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : I beg to move

"That in pursuance of Section 3 (4) (b) of the Spices Board Act, 1986, read with rules 4 (1) (b) and 5 (1) of the Spices Board Rules, 1987, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Spices Board, subject to other provisions of the said Act and the Rules made thereunder"

MR. DEPUTY-SPEAKER : The question is

"That in pursuance of Section 3 (3) (b) of the Spices Board Act, 1986, read with rules 4 (1) (b) and 5 (1) of the Spices Board Rules, 1987, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Spices Board, subject to other provisions of the said Act and the Rules made thereunder"

The motion was adopted

14.17 hrs.

(ii) Rubber Board

[English]

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : I beg to move :

"That in pursuance of sub-section (3) (e) of

Supreme Court and High Court Judges from 150 litres to 200 litres and some increase in the sumptuary allowance from Rs. 1250 per month to Rs. 4000 per month, from Rs. 750 per month to Rs. 3000 per month, from Rs. 500 per month to Rs. 3000 per month and from Rs. 300 per month to Rs. 2000 per month. This was such an innocuous Bill that personally I was not expecting the kind of debate that went on on this Bill.

The House has taken into consideration the entire gamut of the Judiciary...*(Interruptions)*.

[Translation]

SHRI RAMASHRAYA PRASAD SINGH (Jahanabad): Mr. Deputy Speaker, Sir, we have been discussing the Bill for the last three days. I too want to speak on it. That was why I used to sit till quite late at night in the House. Shri Nitish Kumar, when he was in the Chair, had answered me that I would be given two minutes time to speak. Therefore, I request that I may kindly be given two minutes time to speak on this Bill.

MR. DEPUTY-SPEAKER: All night, you may speak. Thereafter the hon. Minister will speak.

SHRI RAMASHRAYA PRASAD SINGH: I do not want to reiterate what has already been said on this Bill by other Members. Yesterday, Shri Nitishji, our senior Member, pointed out that many Members went even beyond the scope of the Bill. However, we shall have to first understand as to why we do so. When this Bill came up here, many Members were anxious to speak on it.

Our democracy rests on three pillars, namely the Judiciary, Executive and the Legislature. When any of these pillars starts crumbling, it becomes a cause for concern for the people. As far as this Bill is concerned, we have two categories of people in the country. One category is full of praise for our judges while some other people, who are quite a few in number, are of the opinion that the judges have, of late, started intruding into the jurisdiction of the Executive. But the fact is that if the executive had been performing its functions satisfactorily, the need for the intervention of the Judiciary would not have arisen. In Patna, it is the duty of the corporation to have the garbage removed but for this work also, the High Court Judge had to issue orders. From the very beginning, the executive and judiciary got mixed up, to the detriment of the country. Now even people who are least interested in politics - agriculturists and other living in villages - are openly saying that if the judiciary had not intervened, who would have checked the type of scams and scandals taking place in the country. To the great surprise of the people, Shri Kalpanath Rai, Shri H.K.L. Bhagat, and the son of Shri Ram Laxhan were put behind the bars and a notice served on the former Prime Minister. Had the judiciary not been there, no harm would come to these people. It is a very important issue. But now some

people raising an accusing finger towards the judiciary. Some ask that when the Ayodhya episode took place, why didn't they obey the orders of the judiciary? Now they are out to undermine the importance of the judiciary...*(Interruptions)* Mr. Deputy Speaker, Sir, I have read in the newspapers that 18 MLAs of Bihar have, without allotment...*(Interruptions)*

SHRI S.P. JAISWAL (Varanasi): Sir, I am on a point of order...*(Interruptions)*

SHRI RAMASHRAYA PRASAD SINGH: What is the punishment for it? You have violated the orders of the judiciary...*(Interruptions)* Now, you need not press any point...*(Interruptions)*

MR. DEPUTY SPEAKER: He is raising a point of order. Please listen to him.

SHRI RAMASHRAYA PRASAD SINGH: I have been given two minutes' time. Please let me speak.

MR. DEPUTY SPEAKER: Two minutes' time is already over.

SHRI RAMASHRAYA PRASAD SINGH: Will it not be wise to hear me first?

MR. DEPUTY SPEAKER: Under which rule are you raising a point of order?

SHRI S.P. JAISWAL: I will let you know the rule. But I would first like to know...*(Interruptions)*

MR. DEPUTY SPEAKER: Please sit down...*(Interruptions)*

MR. DEPUTY SPEAKER: Ramashraya Prasad Singhji, you please continue.

SHRI RAMASHRAYA PRASAD SINGH: Mr. Deputy Speaker, Sir, in today's newspaper it has been reported that 18 MLAs of Bihar took possession of the house of the Central pool without allotment. I want to know "Where was the executive exist?" Where does the legislative exist? I also would like to tell you that they have occupied the houses of the pool of the High Court. A Cabinet Minister in this House has also occupied the house. People talk big here. Do you think all the Members elected to this House constitute the exam? No, they are all postmasters in their respective fields and are responsible for the present sorry state of affairs in the country. The elections have proved disastrous for the legislature. It is only by conducting free and fair elections that we can cannot corruption in the country. So, we should give the judiciary a free hand. If you have a nexus with the police and other officers and thus win the elections, do you think democracy can revive in our country in this manner? No, it cannot survive.

I have been repeatedly pointing out all these things from the 8th Lok Sabha to this 11th Lok Sabha. I am not afraid of anybody. I have all the love and respect for the country. Sir, if the present Government claims to be

Government of the poor, and Shri Deve Gowda says that there are two faces of India i.e. Urban India and the Rural India. then they should investigate now the politicians came to possess such a vast wealth and how the corruption in the country assumed present dimensions. In times to come, we will have such MPs here whose deeds would be investigated even after their death.

MR. DEPUTY SPEAKER : Please conclude

SHRI RAMASHRAYA PRASAD SINGH : I am concluding, Sir, what the judiciary is doing in public interest. Keeping in view the conditions obtaining in the executive and legislature, it is only the judiciary which is running the country. If the judiciary takes bold steps without fear, we can save the country from these political and bureaucratic marauders who have made this country a sanctuary for themselves and looking it without compunction.

[English]

SHRI RAMAKANT D KHALAP : Mr Deputy Speaker, Sir, I was mentioning that the debate on this Bill in this House has covered the entire gamut of judiciary relations between the Judiciary and the Executive and relation *inter se* between various pillars of democracy Executive, Judiciary and Parliament. While speaking on this Bill, certain very important points have emerged. I will make an attempt to respond to most of these points.

I will first take the objection raised by hon. Members, Shri Lodha, to the Ordinances which were promulgated from time to time. We all know, Sir, that since Parliament was not in session, the first Ordinance which was promulgated on 11th January, 1996, the Supreme Court and High Court Judges (Conditions of Service) Amendment Orders, 1996, came before the House as the Supreme Court and High Court Judges (Conditions of Service) Amendment Bill, 1996. It was introduced on 29th February, 1996. This Bill could not be considered and passed by the House before it was adjourned *sine die* on 12th March, 1996. Further this Bill lapsed on the dissolution of Tenth Lok Sabha. Since by this Ordinance, the privileges available to the judges were already enhanced, it was necessary to once again bring another Ordinance and it was promulgated on 27th March, 1996.

Sir, Eleventh Lok Sabha commenced from 22nd May, 1996, but no legislative business was transacted and the House adjourned *sine die* on 29th May, 1996. We re-assembled for the second time during the session on 11th June, 1996 and the House was again prorogued without transacting any legislative business. Therefore, the Supreme Court and High Court Judges (Conditions of Service) Amendment Third Ordinance, 1996 was re-promulgated on 21st June, 1996. Now, this Bill has come for the consideration of this House. All this makes it amply clear that there has not been any deliberate attempt to misuse the ordinance making power provided

under the Constitution. The circumstances were such that such Ordinances had to be issued and now this Ordinance is being replaced by the present Bill which is placed for the consideration of the House.

While speaking on this Bill, learned Member made a scathing attack on an erroneous presumption that after 10 years, for the first time, the allowances of the judges of the Supreme Court and High Court are being increased.

This argument was used to argue that the Government has, all along, been turning a blind eye towards the conditions of service of the judges of the High Courts and the Supreme Court. I must correct this misunderstanding and for the benefit of the House, I must say that time and again, beginning from 1987, the benefits in terms of allowances etc., available to the judges of the Supreme Court and the High Courts were increased originally in 1987 after the first Amendment which I have referred to. The allowance regarding free furnishing of accommodation was raised. Then, the scale of free furnishing was raised and water and electricity allowances were increased. In 1990, provisions for L.T.C. packing allowance on retirement, post-retirement allowances etc. were made. In 1991, allowance relating to free furnishing, daily allowance, water and electricity allowances were increased. The traveling allowance was also increased. In 1992, once again it was increased. Then, it was increased in 1993, 1994 and 1995. Now, we have increased it in 1996.

So, time and again changes have been made. The ceilings fixed were increased. The amounts available to them by way of allowances were increased and several other facilities have been granted. The entire information is available. If need be, I can make it available for the benefit of the House. It can also be laid on the Table of the House. If you permit me, I will lay it on the Table of the House. Therefore, the argument that per day Rs. 17/- or Rs. 10/- are given - which was the argument of Shri George Fernandes and Shri Nitish Kumar - cannot be considered in isolation. I would request the hon. Members to consider this in the context of the changes which have been made from time to time and the enhancement which has been effected in the various allowances and other improvement in the conditions of service of the judges.

SHRI GEORGE FERNANDES (Nalanda) : But sumptuary is sumptuary.

SHRI RAMAKANT D KHALAP : Yes. But there are other allowances.

SHRI GEORGE FERNANDES : I can understand if salary and allowances are enhanced or even if house is made available to them. But sumptuary allowance is meant for entertainment purposes. That is at Rs. 10/- and Rs. 17/- per day and that does not get changed for 10 years. After all, you fixed it at Rs. 10/- in 1986 and that has remained till 1996. That is the point.

SHRI RAMAKANT D. KHALAP : Sir, I would submit that we have to consider the sum total of the allowances and different benefits made available to the judges from time to time.

SHRI GEORGE FERNANDES : No.

SHRI RAMAKANT D. KHALAP : Secondly, Sir, I would also say that there is always room for improvement and so far as the judges are concerned, I would say that every effort should always be made to see that they do not suffer in any way, that their conditions of service are the best available and that they are able to function in an atmosphere where they will not have to look back for these small things.

Sir, in the course of this debate, we talked about the pending cases in various courts, delay in the disposal of cases, vacancies of judges, transfer policy and so on. Now, it cannot be denied that there is a large mountain of cases pending in different courts. A little enquiry showed me that the number of cases pending in different courts in different parts of the country is around 2.30 crores. This is a Himalayan pendency. It is of Himalayan magnitude, I would ask. In fact, I myself indulged in some arithmetic in this case. I argued to myself that if there is about two-and-a-half crore cases pending and if with each case about 10 people get involved on both sides then 25 crore population or more than one-fourth population of this country gets involved in litigations some way or the other.

A little more arithmetic - which I did for myself - showed that if with every litigant a family is involved, the entire population of the country, right from North to South and East to West, is directly or indirectly involved.

SHRI A.C. JOS (Idukki) : Going by your own arithmetic, are we not convinced even today that the number of judges in each court has to be increased? The position is similar to what it was when our Constitution came into existence. The population has increased and the number of cases has also increased. Therefore, I would urge upon the Government to bring in a new legislation by which number of judges in each court could be increased. I would request the Government to think about it.

SHRI RAMAKANT D. KHALAP : Sir, this is a argument and I am coming towards that argument itself. We are working under various constraints and the House knows it very well. What I was trying to point out is that having known that we have such a huge pendency, a concerted effort is required on the part of the Government, on the part of the judiciary, on the part of legal fraternity and even on the part of every citizen of this country to see that somehow this burden is reduced. The proportion of judges to the pending litigation here is abysmally low. But since we are working in a certain atmosphere and under the constraints which are surrounding us, a conscientious effort is required to be

made. I cannot make a simple off the cuff remark that we will raise the proportion of the judges as it would involve financial expenditure, it would involve passing of the budget and so on. So, I would not make any commitment on that. It will have to be studied in detail.

Sir, there is no doubt that we have huge pendency. But is it the case that there is no solution whatsoever? Recently, I had an occasion to meet with the Chief Justice of India and I discussed with him this particular aspect. What emerged out of the discussion, I must share with the House. The Supreme Court under the leadership of the present Chief Justice of India over the last three years has undertaken an exercise which has resulted in reducing the pendency to just about 27,000 cases as on this day.

Let us imagine the pendency three years back: or the pendency about one year back. One year back it was more than one lakh. I was really surprised and amazed to see that this exercise in the court's management undertaken by the Chief Justice of India could give such a phenomenal result and such an exemplary result. I have a feeling that this particular exercise which the Supreme Court of India did in relation to its Court should be emulated by the various High Courts in the country so that at least that portion of litigation which is pending in the various High Courts of this country could similarly be reduced. What he did was a simple technique, a simple modern day management technique, of resorting to computerisation, resorting to classification of different cases, resorting to supervision from time to time, keeping the Bench for sufficiently longer period so that it deals with the allotted cases and deciding them. So, this particular result is for all of us to see.

The court has, in fact, summed up the entire work it has done in the form of graphs and in the form of statistics which are provided today. I am sure the type of work that our Supreme Court has done is commendable. I would request this House to take a note of this particular work that has been done by the Supreme Court of India. I would say that this should be done in the context of various arguments that came forward in the context of delay, in the context of corruption, in the context of various other issues including judiciary activism, etc. We must congratulate our Chief Justice of India and the Supreme Court. We must hope that what has been done in the Supreme Court, what has been achieved by the Supreme Court would also be achieved in a few years hence by the other courts of the country as well.

Now, I come to the question of vacancies of Judges. If the Supreme Court is able to reduce its cadre to this level, the Chief Justice tells me that, probably, within the next few months they may have surplus judges in the Supreme Court to decide the cases. See the situation : from one end, we are moving to the other end. There may be surplus Judges in the Supreme Court.

Some worthy hon. Members of this House were making a demand that we should have Benches of the Supreme Court in the South. *(Interruptions)*

SHRI BALAI CHANDRA RAY (Burdwan) : But the Chief Justice of India is responsible for the vacancies of 16 Judges in the Calcutta High Court. For the last eleven years, not even for one single day, the High Court has not worked with its full strength of 48 Judges. Now, the entire responsibility of recommending Judges is with the Chief Justice of India and two senior puny Judges. Therefore, who keeps the Judges' posts vacant? Since December 1994, after the judgment, it is the Chief Justice of India and two senior puny Judges who recommend, but they have not recommended. These vacancies are going on. How can the High Court do it? In the Calcutta High Court, at present, as on 30th November, 1995, the total pending cases is 2,30,000. Can they attend to them without filling up the vacancies?

SHRI SHIVANAND H. KOUJALGI (Belgaum) : There are many vacancies, but they are not being filled up for the last two or three years.

SHRI RAMAKANT D. KHALAP : Sir, a few minutes back, I referred to the work done by the Supreme Court, and my hope and the hope of the Chief Justice of India are that the experiment which has been conducted in the Supreme Court shall be emulated by the other High Courts in our country. If this is emulated, I believe, in a year's time or in two years' time, the huge pendency in the other High Courts will simultaneously be reduced.

Coming to the vacancies in various High Courts, we all are aware that these vacancies in the Courts, transfer policy, all these things which were discussed in this House are not the work of one organ itself. No doubt, the Supreme Court today decides who should be transferred where, the number of Judges to be transferred from one Court to the other Court, and about the filling up of vacancies also. But the persons to be nominated as judges, this issue is to be cleared by the concerned Judges of the Supreme Court, by the concerned Chief Minister and by the concerned Governor of the area. So, when all these three come to a conclusion that a particular person is to be appointed, his appointment takes place.

I must tell you that the moment I took over as the Law minister, my Ministry has decided that not only shall we take steps to fill up all the vacancies existing in the various High Courts, but we shall also see that we keep track of the impending vacancies because of retirement of the Judges at some time or the other. Six months before the date of retirement of a Judge, before the occurrence of a vacancy on account of this, it will be noted by the Ministry and we shall initiate steps to see that no sooner a vacancy is created than it is filled up. I hope that this does not remain only as a pious hope on my part.

SHRI BALAI CHANDRA RAY : The date of retirement of a Judge is known the day he is appointed.

SHRI RAMAKANT D. KHALAP : That is what I said. Since it is known, we shall see to it that, at least six months in advances, we remain prepared to fill up that particular vacancy.

SHRI P. UPENDRA (Vijayawada) : So many times, that assurance was given.

SHRI RAMAKANT D. KHALAP : Some hon. Members referred to corruption among Judges. They also referred to the so-called encroachment by the judiciary on the rights of this House. I would not like to go into the merits and demerits of these allegations. But I will make a statement that, by and large, our judiciary is one of the best in the world. My Government and I have full faith in India's judiciary. As someone said, there may be black sheep among them. There have been allegations against the hon. Members of this House also. Just as there may be good people and some bad people amongst us, there may be some such cases in the judiciary also.

There may be some case. But each of such cases has to be dealt with as a separate case. We cannot generalise and if we adopt any policy by which we generalise and say that judiciary has become corrupt, we shall not only be affecting the functioning of the courts, but the very foundations on which the democracy rests will also be damaged. It is necessary that we create an impression in the minds of people and sustain that impression that judiciary is occupying the highest place in democracy and that justice is available to all of us. Let us be very clear about this particular point.

A remark was made, rather a demand was made, that a Commission of Inquiry be appointed. It is not in my hands to respond to this demand. Shri P.R. Dasmuni referred to the appointment of a Commission of Inquiry to inquire into the assets of all judges, of all Ministers and of all hon. Members. I even heard somebody saying that it should be extended to all bureaucrats and everybody. This is a very wide question. At some time or the other, probably the House may consider in a better perspective and at better times and come to any conclusion. Whatever conclusion the House comes to will naturally be binding upon me and you also. *... (Interruptions)*

Similarly, it is difficult to comment on judicial activism. We have seen judiciary evolving in different parts of the world. It is a process of evolution and at different times, in different places, judges have risen to the occasion. They have expanded their jurisdiction in some cases. Sometimes it has been inevitable and wherever it has not been inevitable, it has been open to criticism which hon. Members have resorted to. Someone has said that just as we have our constituency to look after, the judiciary has a wide constituency which

extends to the whole of the country and they must take care of that constituency which is the people of this country.

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands) : The question is not about judiciary. The question is about the irrelevant remarks made about Parliament and Legislature. That is the point.

SHRI RAMAKANT D. KHALAP : That is how I look at it. I will look into whatever criticism that has been levelled here. I will look at it not as a general statement but as a statement which can be attributed to a particular institution.

SHRI SOMNATH CHATTERJEE (Bolgpur) : It is because we got proper response from the court.

SHRI RAMAKANT D. KHALAP : Considering all these points, although Shri Suresh Prabhu has said that too little was given too late, I would still assure Shri Suresh Prabhu and other hon. Members of this House that we are making conscious efforts to improve the conditions of service of the judiciary. There is a National Judicial Pay Commission appointed. This Commission will look into the conditions of service of the subordinate judiciary in different parts of the country and all of us with the active support of one another be able to tackle the problems that are facing us.

With these words, I request Justice Guman Mal Lodha to withdraw his statutory motion. I request this House to pass this Bill unanimously.

[Translation]

JUSTICE GUMAN MAL LODHA (Pali) : During discussion on the present Bill and the ordinance, many important issues have come up before the House. Most of the Members expressed their opinion about the Judiciary as the hon. Minister has stated, that we are proud of the judiciary of India, and that it enjoys the highest place in the world. But I am sorry that some Members because of their vested interests, tried to look down upon the judiciary in a manner that showed that they were either ignorant of the highest regard that our learned constitution framers like Pt. Jawaharlal Nehru and Ambedkar accorded to the judiciary in our Constitution or they are deliberately not taking cognisance of this fact in a bid to undermine the dignity of this House.

[English]

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) : He has said about the black sheep and not about you.

[Translation]

JUSTICE GUMAN MAL LODHA : First of all, I would like to submit that the Article 121 and 122 of the Constitution are very important. Article 122 lays down that the judiciary would not intervene in any way in the work done in this House. How the speaker regulate the

business of the House, whom he allows to speak, which Resolution was passed or not, about all this internal management, the Article 122 of the Constitution state:

[English]

"122 (1) The validity of any proceedings in Parliament shall not be called in question on the ground of any alleged irregularity of procedure

(2) No officer or Member of Parliament in whom powers are vested by or under this constitution for regulating procedure or the conduct of business, or for maintaining order, in Parliament shall be subject to the jurisdiction of any court in respect of the exercise by him of those powers."

[Translation]

That is why, whenever any notice is received against the Speaker, the Speaker, as per our convention, does not reply to it, because he is not answerable to the jurisdiction of the Supreme Court or the High Court. But to maintain the highest dignity of our judiciary it has been enunciated in Article 121 of the Constitution that-

[English]

"No discussion shall take place in Parliament with respect to the conduct of any judge of the Supreme Court or of a High Court in the discharge of his duties except upon a motion for presenting an address to the President praying for the removal of the Judge as hereinafter provided."

[Translation]

Sir, this Constitution was framed by our Constituent Assembly. We can make amendments in our Constitution to a limited extent. After the judgements in the cases of Keshvanand Bharati and Minerva Mills, it was decided that the Parliament, except the basic features of the Constitution, can amend the other parts if it so desires. If some one brings forward the Constitution Amendment Bill and express his own opinion thereon, there would be no objection to it but so long as Article 121 and 122 of the constitution are there, my submission is that it would be most important if we criticise the judgement given by the Supreme Court and held binding on all in accordance with the Articles 141 to 144 of the Constitution. However, where the questions of the rights of the Parliament cropped up in those judgements e.g. land reforms, certain laws in respects thereof have been annulled. They were, however validated subsequently by a constitutional amendment or the incorporation of the Ninth Schedule. When the question of legislation arose, many laws were declared null and void but the Parliament, in exercise of their powers, made laws in respect thereof subsequently.

In 'Shah Bano's case, the Supreme Court gave its verdict but we annulled the Supreme Court's verdict on the plea of womens' rights. It is right that if any judgement falls within our preview, we can declare it null and void by enacting suitable legislation. But it is very unfortunate to say here that in a verdict only a days' sentence was given whereas the sentence should have been more. There cannot be anything more unfortunate than to say here on the floor of this House that for contempt of Court, Comrade Namboodari pad was only fined while in the case of Shri Kalyan Singh he was given only one day's sentence and not more. This way we shall be going beyond our jurisdiction.

15.00 hrs.

Mr Deputy Speaker, Sir, not only this, by acting in that manner we shall be violating Article 121 of the Constitution and committing the contempt of the Constitution as also the judiciary and undermining the dignity of the House.

Sir, if we want to change the system of the judiciary and if it is within our rights, then there can be no objection to our doing it but how ridiculously and shameful it is that a party makes a reference under Article 143 of the Constitution and Shri Munshi, an hon. Member, from West Bengal belonging to that party ridicules it here. Why was this reference made, and who asked for it? The reference was, however, made by the Government and thereafter, the Supreme Court gave its verdict thereon. They gave a definition of the secularism. You may agree with this definition or not. If you don't agree, you may change it by bringing in a Constitution amendment but to ridicule and criticise it here, saying that judges have no right to define Hindutva in the Supreme Court, is not at all in order.

Sir, it is you who have given the right. Pt Jawaharlal Nehru and Dr Ambedkar have given it. Shri Atal Bihari Vajpayee and Shri Somnath Chatterjee have not given it. This right has been given by the Constitution. You may withdraw it. If you have any objection to the definition of Hindutva, you may review it. If your review petition is not accepted, try to amend it here, if you can. If you cannot, then you will have to follow Article 141, 142, 143 and 144 of the Constitution.

15.02 hrs.

(Shri Chitta Basu in the Chair)

We did in the case of Shah Bano. There is no objection to it. There may be difference of opinion but Parliament had the right and the Parliament exercised that right. The majority may differ but my submission is that, as stated here, if we start saying that in the case of Ayodhya episode, there is contempt of court and start discussion whether the judgement of the court was right or wrong, whether punishment awarded was proper and adequate or not or say that what happened in Ayodhya was a part of liberation struggle and a plot has been removed from the face of the nation, these are all matters of opinion. Shri Ram Manohar Lohia, in

one of his books, wrote that our ancestors were weak, timid and were lacking in courage who tolerated such insult so long. These are all individual opinions and there can be differences also in such opinions. But if we speak in terms of insults, aspersions, defamations and say that the Supreme Court let of Kalyan Singh by awarding him a day's sentence, it amounts to ridiculing the Supreme Court. If we try to understand what the Constitution is, what our values are and what our rights are, we will come to know that we have many rights and that our Constitution is sovereign. Our Parliament is not sovereign. Our Constitution is sovereign or the constituent of Parliament. There is great controversy as to how to make use of the constituent of Parliament. If today judiciary tries to change the basic feature of the constitution, it will not be able to do so because of the judgement in the case of Keshvanand Bharati. You cannot change them. Such an attempt had been made in the past. You will recollect that during emergency such a decision had been taken here. We can annul by law the judgement of the Allahabad High Court on the election petition filed by Shri Rajnarain against Smt Indira Gandhi.

Sir, there cannot be the greater insult or mockery of Parliament. Than one that the judgement of the Allahabad High Court was reversed by the Supreme Court itself and that too on merits. It is, of course a fact that the petition filed by Shri Rajnarain has dismissed on merits but the Supreme Court also said that the Parliament had no right to sit in judgement of the Allahabad High Court verdict and alter it. I would like to ask my friend Shri Munshi whether he had raised an accusing finger against it at that time? Did he have the courage to say at that time that what was being done was unjustified, unconstitutional and amounted to throwing the rule of law to winds? At that time, it did not occur to him but today, he says that the sentence awarded in the Ayodhya episode was not adequate. I would submit that such question should not be raised here now.

We should follow our Constitution in its letter and spirit. Sovereignty is very important. Over sovereignty, we take decisions time and again. I would like to cite an example for the benefit of Shri Munshi. A very interesting incident took place in Allahabad. A journalist, Shri Keshar Singh published a report in the newspaper there. The Assembly there moved a privilege motion against him and awarded punishment to him. When the privilege motion came up before the Assembly, it adopted it and he was sentenced to 7 day's imprisonment. When he was lodged in the jail, an advocate, Solemen, filed a writ petition against the said action of the Assembly on the plea that it was the fundamental right of a journalist under Article 226 and, therefore, he cannot be punished. As such, two judges of the Allahabad High Court granted him bail. When he was taking the bail order to the jail, there was an uproar in the Assembly. Members pointed out to the speaker that it was violation of his order as he was sending the

journalist concerned to the jail and the High Court was letting him off. The Members further stated that the judiciary had no right to do so as the Assembly was above the judiciary and demanded that the judges concerned be produced before the Speaker, a privilege motion be adopted against them and they be sent to jail...*(Interruptions)* Somnathji, you know things very well since you are a barrister. Since you know the law, you at once agreed with me. In the Assembly, it was said that both the judges be arrested and produced before the Speaker. When warrants were sent for those two judges, 57 judges of the Allahabad High Court granted the said two judges bail and said that these two judges cannot be arrested and the bailiff of the Speaker of the Assembly was sent back. When the bailiff returned, the Assembly sat again and the Speaker said : "Now we have to take a decision that these 57 judges be arrested and produced before me." It is a very interesting case ...*(Interruptions)*.

SHRI P.R. DASMUNSI : The Chief Justice of Bombay High Court was sent back to Bengal...*(Interruptions)* Why was action not taken against him?...*(Interruptions)*.

JUSTICE GUMAN MAL LODHA : You take action.

SHRI P.R. DASMUNSI : Why should we do it? Why does not judiciary take action? George Saheb said ...*(Interruptions)* it is not enough. If we had taken that action...*(Interruptions)* Being politicians we know it very well...*(Interruptions)* Are they the sons of god?

JUSTICE GUMAN MAL LODHA : The Chief Justice of Madras has been lodged in the jail...*(Interruptions)*

[English]

SHRI P.R. DASMUNSI : You tell me why the Chief Justice of the Bombay High Court had to suddenly go back to Calcutta.

JUSTICE GUMAN MAL LODHA : I am not yielding.

[Translation]

The Chief Justice of the Madras High Court has been sent to the jail on charges of corruption. A case is still pending against him in the Madras High Court. No one is above law. If there is a case against Shri Bhattacharya, then the CBI should have lodged him in the jail. He belong to Calcutta.

If there was any case against the Chief Justice. The Bengal Government should have indicated the legal action against him...*(Interruptions)*

SHRI SOMNATH CHATTERJEE : Bring the Bengal Government here in the Centre and everything will be all right.

JUSTICE GUMAN MAL LODHA : Mr. Deputy Speaker, Sir, I am telling you the story of the conflict that took place between the judiciary and the legislature. When the U.P. Assembly in its sitting in Allahabad, tried to take a decision for the arrest of 57 judges and there

production before the Speaker, a message was sent to the President. It is something very unfortunate. Judiciary is ours, legislature is ours the executive is also ours. We have framed the Constitution and the Constitution is being thrown to winds.

The President made a reference under Article 143 and I want to tell you about this reference. Shri P.R. Dasmunsi may read it in full as and when he finds time. The judgement given by Gajendra Gudkar, Chief Justice, concerning the right of the judiciary and the legislature and what action need to be taken in case of conflict between them may be seen in AIR 1965 SC Under Article 143, Constitution of India. Shri Gajendra Gudkar had given this judgement after hearing the argument on all the issues involved for about a month. I will not take your time by reading it here. The hon. Members interested in it may read it. It ought to be read...*(Interruptions)* In Article 194, the privileges of the Members of the Legislative Assembly and the Parliament have been enunciated. On one side, there is Assembly and on the other, there is judiciary. Article 122, 123 lay down...*(Interruptions)* He said that the Parliament should define its privileges. I will request the Honourable Member to consider this matter. Somnathji, this decision was taken in 1965. Yesterday, the Hon. Member said that the Parliament was in session but I was not allowed to come from the court. If a privilege is codified that when Parliament is in session, whatever be the case whether it is preventive detention or TADA or any other case, a member would have the right to come here and speak and in this way, the judiciary would be compelled to abide by it. If the privilege is not codified, then it would be the discretion of a judge to send a Member of Parliament or not...*(Interruption)* Many Members sitting here were in jail but when Parliament session started, they were allowed to come here. This decision was taken in 1965. Speakers' conferences were held one after the other...*(Interruptions)* Everytime it was decided that we would not codify the privileges because if we codify...*(Interruption)*

[English]

SHRI SOMNATH CHATTERJEE : Even the privileges committee of this Parliament has decided that it would not be codified.

JUSTICE GUMAN MAL LODHA : I will tell you the reason why it decided so.*

SHRI SOMNATH CHATTERJEE : Who are you to give the reason?

JUSTICE GUMAN MAL LODHA : I will give you the reply.

[Translation]

Nobody wants to limit his rights. The judges of the Supreme Court repeatedly say that...*(Interruptions)*

Article 226 says that it will not be codified. Therefore, in the Speakers' conference and as also in the privileges committee, it was decided that we will not codify it and when it is not codified.

[English]

'Law is nothing but uncodified common sense and codified nonsense.'

[Translation]

You may codify anything and it would become a law... (Interruptions)

[English]

SHRI SOMNATH CHATTERJEE : Sir, this is a Bill on... (Interruptions) He has gone on to speak about the privileges... (Interruptions)

MR. CHAIRMAN : We are discussing a particular Bill whether the Ethics Committee should not be there, is a separate subject.

(Interruption)

SHRI RAMESH CHENNITHALA (Kottayam) : Mr. Chairman, Sir, he has extended the scope of the discussion.

MR. CHAIRMAN : Your case is, you want that the privilege should be codified. That is enough.

[Translation]

JUSTICE GUMAN MAL LODHA : I am making a suggestion. As suggested by the Supreme Court, MPs, and M.L.As should form an All India Committee or Commission to codify the privileges and should end their controversy once and for all. When this controversy is resolved, we as well as the Judiciary would know where we actually stand... (Interruption)

If we have become Members of Parliament, it does not mean that... (Interruption)

[English]

MR. CHAIRMAN : That is alright. This is your suggestion. The government would consider it.

[Translation]

JUSTICE GUMAN MAL LODHA : I was submitting that the Supreme Court's decision of 1965 was a very good decision which would serve as a guide for us. We should read it and follow it in into true letter and spirit so that no such ambiguity exists in future. A lot has been said about the judicial activism, judicial activism is a vast subject. I have written some books on it, namely 'Nyayapalika Ki Agni Pariksha', Law, Morality and politics' and one another book 'Judiciary Fumes, Flames and Fire'. It runs into one thousand pages. I will gift it to the library. This book may be read but I would like to submit... (Interruptions)

[English]

MR. CHAIRMAN : Shri Lodhaji, please listen to me. You have to reply only to the questions or points raised by the Hon'ble Minister. You cannot bring any subject under the sky.

(Interruptions)

[Translation]

JUSTICE GUMAN MAL LODHA : You may guide us in between.

SHRI SOMNATH CHATTERJEE : You will not pay sumptuary allowance to the judges. Petrol is consumed more now-a-days. Will you provide them petrol?

JUSTICE GUMAN MAL LODHA : Somnathji we shall accept your proposal. You were not present during the debate, otherwise

(Interruptions)

SHRI SOMNATH CHATTERJEE : I watched it on T.V.

JUSTICE GUMAN MAL LODHA : The hon'ble Minister has replied only those questions which came up here during the debate. He has replied to the debate only and I am doing the same thing.

Here, it was said that an FIR was lodged and thereafter, the High Court asked to lodge the FIR of the complaint. It is not a question of the privileges of the High Court. The High Court should not do it. I would not go into the question as to what the High Court should do and what it should not do. You may appear to the Supreme Court but the direction of the High Court to lodge the F.I.R. in the form of a complaint once the FIR is lodged, is wrong because in it some politicians and the sons of former Prime Minister and others are involved. Therefore, it would not be proper and the part of this House to denigrate or insult the judiciary... (Interruptions)

[English]

SHRI SOMNATH CHATTERJEE : He has to reply only to the question whether the ordinance should have been issued or not. That is the only question.

[Translation]

JUSTICE GUMAN MAL LODHA : It was said here that if the court issued warrant, summons, against Shri Narasimha Rao, he should go to the High Court. The High Court may cancel the summons after asking for the record. Thereafter one may go to the Supreme Court. If a judge has issued the summons, and we object to it just because the man summoned happen to be the former Prime Minister, then it would not be a rule of law but a rule of the jungle.

[English]

MR. CHAIRMAN : How much time do you want?

JUSTICE GUMAN MAL LODHA : I will take half an hour to reply to the points which have been raised...*(Interruptions)*

[Translation]

I will conclude. Private members Bill will be taken up here at 3.30 P.M. ...*(Interruptions)*

[English]

MR CHAIRMAN : Now, we are in the concluding stage of the debate. I think you should cooperate.

JUSTICE GUMAN MAL LODHA : Many questions have been raised ...*(Interruptions)*

MR CHAIRMAN : Now, we expect the hon. members to extend cooperation to the House. The Private Member's Business has to be taken up at 3.30 P.M. Naturally, we expect that this Bill will be adopted before 3.30 P.M.

(Interruptions)

JUSTICE GUMAN MAL LODHA : I would conclude provided I am not interrupted. If I am interrupted, I would go up to Monday...*(Interruptions)*

MR CHAIRMAN : There are some amendments also. They have to be cleared. Please see that it is completed by 3.30 p.m.

[Translation]

JUSTICE GUMAN MAL LODHA : Here a reference about the birth of lord Rama was made in a derogatory manner. Who knows where the birth of lord Rama, Mohammad Sahib or Jesus Christ took place. It is all a matter of mythology. There are certain real facts with which are associated many feelings. It is not proper to decide these matters here or make any reference. I would like to know from Shri P.R. Dasmuni which Government had made the reference whether it was done by the B.J.P. Government or the Narasimha Rao Government. Today again, a reference in being made under 138, whether it would be done or not is a different matter. But since a reference was made, I made a mention of it.

Whether lord Rama was born in Ayodhya or Rama temple was built in Ayodhya or not is a question based on our beliefs and sentiments. Will anybody doubt whether Mohammed Sahib had gone to Makka Madina or not? Will any commission be appointed to investigate it and will Shri P.R. Dasmuni make enquiries from it?

SHRI NITISH KUMAR (Barh) : Mr Chairman, Sir, we are also Members of this House and during the deliberations of the House, I would like to know as to what this Bill has to do with Ayodhya?

JUSTICE GUMAN MAL LODHA : You please listen to me.

[English]

Why were you sitting idle at that time?

[Translation]

SHRI NITISH KUMAR : A minute's deliberations of Parliament cost the nation Rs. 50,000.

[English]

SHRI RAMESH CHENNITHALA : Sir, his entire speech is now dependent on the Ayodhya issue. What is happening in the House now?

MR CHAIRMAN : Shri Lodha, you have assured me

(Interruptions)

[Translation]

SHRI NITISH KUMAR : Will it go on like this?

[English]

MR CHAIRMAN : Shri Nitish Kumar, he will conclude. He has assured me that he will conclude. Shri Lodha, please conclude.

[Translation]

JUSTICE GUMAN MAL LODHA : I am concluding but they are not allowing me to speak. The hon'ble Minister did not raise this objection when they were speaking about Lord Rama. We say that Lord Rama was born in Ayodhya itself and therefore Lord Rama's temple should be constructed there. If Lord Rama's temple would not be built there, will it be built in Japan or in London or Makka-Madina.

"Awadhesh ke dwar sakaye mikase,

Angan yah sochat ki Vimochan Ki Kati Tulsī Manoranjan,

Angan nainsutch Khanjan"

Tulsidas has described it. Maithilisharanji has also described it.

[English]

MR CHAIRMAN : This is not fair. Shri Lodha, please resume your seat for a minute. It is not fair on my part to request the hon. Member to speak to the point, again and again. This is my last request to you, Shri Lodha. As an hon. Member of this House, you should restrict yourself within the purview of the Bill.

(Interruptions)

SHRI G.M. BANATWALLA : So, whatever he said outside the purview of the Bill should be expunged from the record...*(Interruptions)* There should be nothing.

[Translation]

JUSTICE GUMAN MAL LODHA : We do not make any difference between Makka-Madina and Ayodhya.

[English]

SHRI G.M. BANATWALLA : Sir, he is misusing the floor of the House. This is a total misuse of the floor of the House. There are certain limits. Mr. Chairman, what is going on in the House?...*(Interruptions)*

MR. CHAIRMAN : Please conclude.

[Translation]

JUSTICE GUMAN MAL LODHA : He does not know that on the 16th Aug. 1946, five thousand people had been killed by Sohrawardi...*(Interruptions)*

[English]

MR. CHAIRMAN : It is not related to the subject
(Interruptions)

[Translation]

JUSTICE GUMAN MAL LODHA : How was Pakistan formed? How were atrocities perpetrated? He does not know anything about these things...*(Interruptions)*. A country was divided into two parts. He has no objection to it. He is unaware of this. It is because of lack of knowledge that Shri Munsī is dragging the name of Lord Rama into it...*(Interruptions)*

[English]

MR. CHAIRMAN : You please sit down.
(Interruptions)

MR. CHAIRMAN : Mr. Dasmunsi, you must seek permission from the Chair to speak.
(Interruptions)

SHRI P.R. DASMUNSI : Sir, you must know what he had said...*(Interruptions)*

[Translation]

JUSTICE GUMAN MAL LODHA : You partitioned and auctioned the country...*(Interruptions)*

[English]

MR. CHAIRMAN : That means you are not going to conclude today

[Translation]

JUSTICE GUMAN MAL LODHA : The congress has ruined this country. They have disintegrated this country and have indulged in a lot of bloodshed everywhere and at Dharmatala too. You perhaps do not know it. Today they say here that Lord Rama was not born in Ayodhya. Eighty percent of our people say that Lord Rama was born in Ayodhya and his temple would be built in Ayodhya itself. Nobody on the earth can stop it...*(Interruptions)*

SHRI NITISH KUMAR : Everything will happen but the judges will not get the petrol...*(Interruptions)*

JUSTICE GUMAN MAL LODHA : Judge would get the petrol and they would also make enquiry. A reference was made here about Jharkhand Mukti Morcha. You gave crores of rupees to the Jharkhand Mukti Morcha and also engineered defections. Why did you resort to defections? Before conclude, I would say that we should provide all facilities to the Supreme Court judges, Munsī Magistrates of High Courts and District Judges because in reality they are our Constitution and the Supreme Court has the most important role to play, as include Lord Rama had said :

"Nishicharheen Karron mahi, Kani utha bhujdand."

With these words, I conclude and withdraw the resolution moved by me to oppose this ordinance.

[English]

MR. CHAIRMAN : Mr. Lodha, are you withdrawing?

SHRI RAM NAIK : Sir, he is seeking permission to withdraw the Resolution.

[Translation]

JUSTICE GUMAN MAL LODHA : Sir, I withdraw the resolution moved by me to oppose the ordinance and appeal to the House to pass the Bill.

[English]

I seek the leave of the House to withdraw my Statutory Resolution.

MR. CHAIRMAN : Does the hon. Member have the leave of the House to withdraw his Statutory Resolution?

SEVERAL HON. MEMBERS : Yes

The Resolution was, by leave, withdrawn.

MR. CHAIRMAN : As it is 3.30 P.M. now, does the House agree to pass this Bill within five to six minutes?

SEVERAL HON. MEMBERS : Yes.

MR. CHAIRMAN : The House will now take up motion for consideration of the Bill.

The question is :

"That the Bill further to amend the Supreme Court Judge (Conditions of Service) Act, 1958 and High Court Judges (Conditions of Service) Act, 1954, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN : The House will now take up Clause-by-Clause consideration of the Bill.

SHRI RAMAKANT D. KHALAP : Sir, since there are a few amendments, I would make an appeal to the Members not to move their amendments.

Clause 2

MR. CHAIRMAN : Mr. Satya Pal Jain, are you moving your amendment?

(Interruptions)

SHRI RAM NAIK : Since he is not moving, there is no question of withdrawal.

MR. CHAIRMAN : So, nobody is moving their amendments.

The question is :

"That Clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

MR. CHAIRMAN : Now, there are amendments to Clauses 3, 4 and 5. I hope anybody wants to move the amendments.

The question is :

"The Clause 3, 4, 5 and 6 stand part of the Bill."

The motion was adopted.

Clauses 3, 4, 5 and 6 were added to the Bill.

MR. CHAIRMAN : The question is :

"That Clause 1 the Enacting Formula and the title stand part of the Bill"

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI RAMAKANT D. KHALAP : I beg to move :

"That the Bill be passed."

MR. CHAIRMAN : Motion moved :

"That the Bill be passed."

[Translation]

SHRI GEORGE FERNANDES : Mr. Chairman, Sir, I do not want to take much time. I had given notices of amendment for two clauses. Keeping in view the necessity of passing the Bill, we did not place before you these two amendments, otherwise we wanted a division in the House on them. The Hon'ble Minister said certain things about this Bill. We agree with some of them and do not agree with rest of the things. But we would certainly like to Hon. Minister to take due note of the intentions of or amendments and take appropriate action on them.

My amendment is for two clauses. It pertains to the High Court and the Supreme Court. After ten years, these people will get from Rs. 10 to Rs. 15 or Rs. 20. They need not wait for 10 years but we should fix the amount to be paid to them in the same proportion in which prices are likely to increase. Just as prices increase after 6 months, we should increase the amount

of the sumptuary allowance. The hon'ble Minister, it is hoped, would consider the matter seriously and bring about the needed improvement in the judiciary. He should bring forward the necessary Bill at the earliest to bring about necessary reforms in the judiciary as also in law and order.

[English]

SHRI RAMAKANT D. KHALAP : Mr. Chairman, Sir, I am engaged in taking an entire review of the judicial reforms which are pending. I do appreciate the points raised by the hon. Member Shri George Fernandes.

MR. CHAIRMAN : The question is :

"That the Bill further to amend the Supreme Court Judges (Conditions of Service) Act, 1958 and the High Court Judges (Conditions of Service) Act, 1954, be passed."

The motion was adopted.

15.37 hrs.

PRIVATE MEMBERS BILLS

[English]

MR. CHAIRMAN : Now, we shall take up Private Members' Business. Bills for introduction.

Shri Amar Pal Singh.

PRIVATE INVESTIGATORS BILL

[Translation]

SHRI AMAR PAL SINGH (Meerut) : Sir, I beg to move for leave to introduce a Bill to provide for the licensing of private investigators and vest them with certain powers.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for the licensing of private investigators and vest them with certain powers."

The motion was adopted.

[Translation]

SHRI AMAR PAL SINGH : Sir, I introduce the Bill

15.38 hrs.

CRIMINAL LAWS (AMENDMENT) BILL

[English]

SHRIMATI GEETA MUKHERJEE (Panskura) : I beg to move for leave to introduce a Bill further to amend

the Code of Criminal Procedure, 1973, and the Indian Evidence Act, 1972.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1973, and the Indian Evidence Act, 1872."

The motion was adopted.

SHRIMATI GEETA MUKHERJEE : I introduce the Bill.

15.38½ hrs.

NATIONAL POPULATION POLICY BILL

[Translation]

SHRI AMAR PAL SINGH (Meerut) : I beg to move for leave to introduce a Bill to provide for a national population policy and for measures to control the population in the country and for matters connected therewith.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for a national population policy and for measures to control the population in the country and for matters connected therewith."

The motion was adopted.

[Translation]

SHRI AMAR PAL SINGH : Sir, I introduce the Bill.

15.39 hrs.

ARMED FORCES (SPECIAL POWERS) REPEAL BILL

[English]

SHRI GEORGE FERNANDES (Nalanda) : I beg to move for leave to introduce a Bill to repeal the Armed Forces (Special Powers) Act, 1958.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to repeal the Armed Forces (Special Powers) Act, 1958."

The motion was adopted.

SHRI GEORGE FERNANDES : I introduce the Bill.

15.40 hrs.

CONSTITUTION (AMENDMENT) BILL

(Amendment of Article 312)

[English]

SHRI GEORGE FERNANDES : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI GEORGE FERNANDES : I introduce the Bill.

15.40½ hrs.

RIGHT TO WORK BILL

[English]

SHRI GEORGE FERNANDES : I beg to move for leave to introduce a Bill to provide for right to work for all citizens who have attained the age of eighteen years but have not attained the age of sixty years.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for right to work for all citizens who have attained the age of eighteen years but have not attained the age of sixty years."

The motion was adopted.

SHRI GEORGE FERNANDES : I introduce the Bill.

15.41 hrs.

CONSTITUTION (AMENDMENT) BILL

(Amendment of article 80 etc.)

[English]

SHRI GEORGE FERNANDES : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI GEORGE FERNANDES : I introduce the Bill.

15.41½ hrs.

SPECIAL EDUCATION FACILITIES

(FOR CHILDREN OF PARENTS LIVING BELOW POVERTY LINE) BILL

[English]

DR. T. SUBBARAMI REDDY (Visakhapatnam) : I beg to move for leave to introduce a Bill to provide for special educational facilities to the children of parents living below poverty line and for matters connected therewith.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for special educational facilities to the children of parents living below poverty line and for matters connected therewith."

The motion was adopted.

DR. T. SUBBARAMI REDDY : I introduce the Bill.

15.42 hrs.

COMPULSORY EDUCATION BILL

[English]

DR. T. SUBBARAMI REDDY : I beg to move for leave to introduce a Bill to provide for free and compulsory education upto higher secondary level to all children throughout the country and for matters connected therewith.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for free and compulsory education upto higher secondary level to all children throughout the country and for matters connected therewith."

The motion was adopted.

DR. T. SUBBARAMI REDDY : I introduce the Bill.

15.42½ hrs.

RAGPICKING AND OTHER VAGABOND STREET CHILDREN (REHABILITATION AND WELFARE) BILL

[English]

DR. T. SUBBARAMI REDDY : I beg to move for leave to introduce a Bill to provide for welfare measures to be undertaken by the Union and State Governments

for the regpicking and vagabond street children who subsist on collecting and selling waste material from garbage dumps and other places endangering their health and lives and for their rehabilitation through education, training, vocational education and guidance and for matter connected therewith or incidental thereto.

MR. CHAIRMAN : The question is :

"That leave be granted the introduce a Bill to provide for welfare measures to be undertaken by the Union and State Governments for the regpicking and vagabond street children who subsist on collecting and selling waste material from garbage dumps and other places endangering their health and lives and for their rehabilitation through education, training, vocational education and guidance and for matters connected therewith or incidental thereto."

The motion was adopted.

DR. T. SUBBARAMI REDDY : I introduce the Bill.

15.43½ hrs.

POPULATION CONTROL BILL

[English]

DR. T. SUBBARAMI REDDY : I beg to move for leave to introduce a Bill to provide for population control through compulsory sterilisation of certain persons, measures for promoting small family norm and for matters connected therewith.

MR. CHAIRMAN : Motion moved :

"That leave be granted to introduce a Bill to provide for population control through compulsory sterilisation of certain persons, measures for promoting small family norm and for matters connected therewith."

SHRI G.M. BANATWALLA : I will take only one minute. Sir, my good friend, Dr. Reddy has sought the leave of the House to introduce a Bill namely, the Population Control Bill, 1996.

The entire thrust of Bill is towards compulsory sterilisation. The Bill brings to our mind the reminiscences of....

MR. CHAIRMAN : I think, Shri Banatwalla, at this stage you are conscious of the limitations.

SHRI G.M. BANATWALLA : Please, bear with me. Though I am growing old, my memory has not failed me. In the beginning I said, I will take one minute and that is all.

Mr. Chairman, Sir, as I said, the Bill brings to our mind the hair-raising reminiscences of the most

unfortunate period of the Emergency, and the widespread discontent that was there at that time against the forced sterilisation that was going on during those days.

The entire thrust of this Bill is, as I said, on compulsory sterilisation. Of course, a little earlier my good friend Shri Amar Pal Singh also introduced a Bill, the National Population Policy Bill. Though I am against the various provisions of that Bill yet I did not oppose the introduction of that Bill because that Bill sought to raise a discussion about population in the national context. Whenever that Bill comes up for discussion, we can go into it and raise our objections. However, the present Bill by Dr. Reddy has its thrust on compulsory sterilisation. I must also say that it is *ultra vires* of the Constitution. It is violative of Article 21, Article 25, Article 26, and various other Articles of the Constitution. Surely, the right to the inviolability of the sanctity of the body of a person is the basic fundamental right contemplated by Article 21 when it guarantees the right to life. This Bill violates that Article. At the same time, there are various religions which do not allow sterilisation. As such the Bill is also violative of Article 25 and Article 26 of the Constitution.

We must see that we do not march toward a fascist State. Fascist policies of compulsory sterilisation and so on and so forth cannot be adopted. I take strong exception to this particular Bill. I appeal to my good friend Dr. Reddy to withdraw the Bill and not to force me to oppose it when it is put to vote.

Mr. Chairman, Sir, I know very well that this is not the stage when we can go into the merits, demerits and the details of the Bill. Of course, I am second to none when considerations of population come up. But then the remedy lies elsewhere and that is a fact. Therefore, the Bill being violative of various provisions of the Constitution, the Bill introducing an element of compulsion taking us towards a fascist State and fascist policies, the Bill violating the secular tenets of our polity should not be introduced at all in this House. I therefore oppose the motion for leave to introduce the Bill.

DR. T. SUBBARAMI REDDY : Mr. Chairman, Sir, I would like to submit my feelings on my good friend Shri Banatwala's comments.

The entire House and the entire nation agree that population is the most burning problem facing the country today. In spite of the tremendous prosperity of the country and the phenomenal progress made by the country, we are still suffering from poverty and unemployment. It is because of over population and the hon. Member also agrees with me in that.

SHRI ANIL BASU (Arambagh) : He is opposing forced sterilisation.

SHRI G.M. BANATWALLA : Dr. Reddy, do not put words in my mouth.

DR. T. SUBBARAMI REDDY : Yes, one argument is, compulsory sterilisation perhaps might hurt the feelings and sentiments of several people. I fully agree. There is no second doubt about it. But at the same time, since on several occasions several efforts have failed to curb the population explosion, we felt why should we not have it. Of course, it is subject to debate, it is subject to discussion, it is subject to argument, it is subject to the consent of various people by taking the pros and cons of this Bill. Nobody is going to agree to this Bill just like that. I do agree that it is controversial. Perhaps, it is a violation of the Constitution. But constitution amendments can always take place. Just now, Shri George Fernandes suggested a Constitution-amendment. Therefore this is the stage of only introduction of the Bill. When the actual discussion takes place every hon. Member has a right to speak. Perhaps, they might suggest that instead of saying 'compulsory sterilization' why do we not say 'voluntary sterilization' by giving more incentives to inspire people to follow population control measures in such a way that the country's future can always be moulded in a golden way.

Therefore, I request my friend to say that we are not going to insist. It is a very sensitive subject. We cannot go by majority also. We go by the unanimity. Unless everybody - hundred per cent - agrees with some alternative system of sterilization, I fully agree that we can never force anybody and also hurt anybody ... (Interruptions)

The point is that I gave only a Bill for introduction. Tomorrow, my only request is that if you want, I can tell that all agree unanimously to the view that compulsory sterilization is not required because it is going to hurt the sentiments of the people of our country. Therefore, perhaps, there is no harm to give much importance of the Bill. Let me introduce this Bill and let us listen to everybody and come to an amicable solution and say that this great nation is built in a very phenomenal way.

MR. CHAIRMAN : At this stage, we are not to discuss this.

DR. T. SUBBARAMI REDDY : I am not giving any amendment. At this stage, I want this Bill to be introduced. Tomorrow perhaps the hon. members might suggest that we might have the Bill with some modifications. Therefore, I want this bill to be introduced. There is no harm in introducing this Bill. At this stage, this Bill need not be opposed.

MR. CHAIRMAN : I think I should inform the House that the Chair does not decide whether a Bill is *ultra vires* of Constitution or not. It is to be decided by the Court. Therefore, the House will decide whether the House will give leave to him to introduce the Bill. This depends upon the House. Therefore, I have got no alternative but to refer it to the House for voting.

The question is :

"That leave be granted to introduce a Bill to provide for population control through compulsory sterilisation of certain persons, measures for promoting small family norm and for matters connected therewith."

The motion was adopted.

DR. T. SUBBARAMI REDDY : I introduce the Bill.

15.54 hrs.

CONSTITUTION (AMENDMENT) BILL

Amendment of Eighth Schedule

[Translation]

PROF. RASA SINGH RAWAT (Ajmer) : Mr. Chairman, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

[English]

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

[Translation]

PROF. RASA SINGH RAWAT : I introduce the Bill.

15.54½ hrs.

PRIVATE MEMBERS'

Resolution Re. Unemployment

[English]

MR. CHAIRMAN : The House shall now take up further discussion of the Resolution moved by Shri Prabhu Dayal Katheria.

The time allotted is three hours.

Time already taken is two hours.

Now, Shri Ompal Singh - Absent, Shri R.L.P. Verma - absent, Shri Santosh Kumar Gangwar - absent.

Now, Shri Radha Mohan Singh.

[Translation]

SHRI RADHA MOHAN SINGH (Motihari) : Mr. Chairman, Sir, The resolution moved by my friend, Sh. Prabhu Dayal Katheria contains the most burning question facing the country. On this question of unemployment, all the hon. Members of this House

should think jointly and try to find a solution to it. We have about five crore educated unemployed people in the country who have got their names registered but a large number of them living in villages do not reach the employment exchanges. If we add the number of the uneducated unemployed people living in villages to the total number of the unemployed, we will find that we have a large army of the educated and uneducated unemployed people in country. This large army of the unemployed is increasing in its number very fast.

Besides, terrorism, poverty and starvation are also keeping pace with this monster of unemployment.

All the Governments since independence, made announcements that they would solve the problem of unemployment by setting up a network of small scale industries in the country... (Interruptions)

[English]

SHRI SURESH PRABHU (Rajapur) : Who is the Minister who is going to reply to this debate? Is he present here in this House?

MR. CHAIRMAN : One Minister should be present at any given point of time. So, he is here.

PROF. RASA SINGH RAWAT (Ajmer) : Is he noting down anything? Is he aware of the responsibility?

MR. CHAIRMAN : You cannot question that. He is the Minister. He is the Rt. hon. Member as you are.

SHRI G.M. BANATWALLA (Ponnani) : How many State Ministers are equal to one Cabinet Minister?

MR. CHAIRMAN : You calculate yourself.

SHRI G.M. BANATWALLA : Where is he? You call him or send the Minister to call him.

MR. CHAIRMAN : He is the Cabinet Minister.

[Translation]

SH. RADHA MOHAN SINGH : I was stating that all the Governments that came into power in this country after independence made announcements that they would solve the problem of unemployment by setting up networks of small industries in the country. In this connection, a committee was formed in under the chairmanship of Shri T.R. Naik in 1991, which was assigned the task of making a special study and reassessment and to submit its report so as to meet the need of providing working capital to small-scale industries through the Reserve Bank of India.

On the 15th Dec. 1995, when an hon'ble Member raised a question about the committee formed for protection and promotion of small scale industries in this House, it was stated in the reply that the single window scheme of the Small Scale Industries Development Bank of India would be implemented in the districts and it would be ensured that no delay takes place in the sanction and distribution of loans to the

small scale industries. I would like to draw the attention of the Government that on the 12th when I went to my district to attend a meeting of DRDA, while recounting the achievements of 1995-96.

16.00 hrs.

It was disclosed that the Banks did not fulfill even 10% of the target in respect of grant of loans for setting up small-scale industries to the unemployed the people under various schemes including the Prime Minister Employment Scheme. In 1990-91 a committee had been formed and it had made certain suggestions.

These days the persons who want to set up small scale industries in the villages have to face many difficulties.

I come from Bihar. North Bihar is a very backward area in Bihar in the field of small-scale industries. Per capita income of that area is also very low. This area is the most backward area in the entire country and six hundred small-scale industrial units have been lying closed there. Government had set up North Bihar Industrial Development Authority in 1975. Even after 20 years, the condition today is that buffalows are being kept in the offices opened for industrial development. Today Bihar is passing through a very strange situation. Industrial units are lying closed and there is acute shortage of electricity. Today in Bihar, in the name of industries, there is only one industry flourishing there and it is the industry of kidnaping. In this occupations, some people have definitely got employment. Industries enjoying patronage of those in power are managing to survive others are lying closed. There is shortage of electricity. In North Bihar, persons engaged in the small-scale industries are levied Rangdari tax. The result is that the industrialist are leaving Bihar. The small-scale industries get loans quite late. A sizeable portion of the loan is spent is running from pillar to post in government departments and in setting up the industry (*Interruptions*). Government have made no arrangements for the sale of their products with the result that the small-scale industries are facing closure. It is the most sensitive area of Bihar. The Government of India is not paying the needed attention to this area.

On 2nd March, 1994 an hon. Member in this House asked as to what amount has been earmarked for Bihar for this purpose for the current Five-year Plan and how it compared with that of the previous Five-year Plan. In the reply sent at that time, it was stated that the outlay shown, in the eighth Five-year Plan, for the rural and small-scale industries in Bihar was Rs. 120.32 crore. In the Seventh Five Year Plan for rural and small-scale industries was Rs. 70 crore while the total outlay was Rs. 87.85 crore. This shows that the Government is not very alive to the situation of the rural and small-scale industries. We agree with the Resolution brought forward by my friend. Our friend Sh. Ajay Chakraborty suggested that the right to work should be included in this fundamental rights. This question had been raised

earlier in 1989 by Shri Hannan Mollah through a Private Member's Bill in this House. Today also, there is a Bill to this effect. If the right to work is included in fundamental rights we shall have to spend more funds on it. My submission is that if the amount involved in the scams and scandals going on in the country are deposited with the Government exchequer, I feel that the funds required for the inclusion of the right to work in fundamental rights would become available. If the Government is really exercised over the matter it should take concrete steps.

I agree with the suggestion made by Sh. Ajay Chakraborty that a separate ministry should be set up for attending to the problems, providing there with employment opportunities and drawing up programmes for them. With these words, I whole heartedly support the Resolution and its four elements.

[English]

SHRI RAMESH CHENNITHALA (Kottayam) : Mr. Chairman, Sir, I rise to support the Private Member Resolution moved by my hon. colleague, Shri Katheria.

Every now and then we are discussing this burning problem of unemployment. Unemployment and underemployment are the chronic features of all the developing nations.

The steady increase in the population and the slow pace of industrialisation are the main reasons for unemployment. Even the developing countries like U.S.A. and the European countries are also facing this problem. If my memory is correct, Sir, the rate of unemployment in U.S.A. is six percent. In Europe, one out of ten persons is on the dole. So, no country in the world is out of this very grave problem.

Sir, as per the ILO estimates, 820 million unemployed people are in this world and of which, 35 million unemployed people are in the developing countries. In India, more than 26 million unemployed people, as per the statistics that is available, have registered their names in the Employment Exchanges. Sir, this is a very serious problem. This is a burning problem and now this is increasing alarmingly.

This august House discussed this problem several times without any result. That is what is happening. In all the Five Year Plans it was the endeavour of the Government to try to solve this problem or at least to minimise the rate of unemployment through various schemes and various measures. But, unfortunately, every year, the number of people who are registering in the Employment Exchanges is increasing. All the Five year Plans promised that the level of unemployment would be brought down but that is not happening.

The number of educated unemployed is increasing a lot. Moreover, people are coming from the rural areas and settling down in the urban areas. This is also causing a very serious problem in our country. I think, cutting across the party line, everybody will agree that

this problem has to be attended to immediately and very seriously. The youth of this country, even after coming out from the collages, are not in a position to get any job. They are registering their names in the Employment Exchanges and waiting for a job. Even after repeated requests and sending a lot of applications, if they are not in a position to get any job, ultimately, they become frustrated and with frustration they are going out of control and doing a lot of things, which is not at all good for our society.

Sir, I am not blaming the youth in Punjab. I am also not blaming the youth in Jammu and Kashmir especially and in certain other parts of our country. They were misguided by certain anti-national elements. It is easy for the anti-national forces to misguide these youth, who have already been frustrated and the anti-national forces are able to exploit this youth power.

This youth power is now directed against the very interest of the nation. That is what is happening. Guns and other things are supplied to them. Money is supplied to them and even drugs are supplied to them. Slowly the youth of the country is misguided by these elements. It is not only happening in India but it is also happening in other parts of the world. We can see that those who are engaged in grave terrorist activities, are guided by certain elements who are promoting terrorism. This is a world wide phenomenon that we can see. So, this is a very important issue to be addressed immediately.

Everywhere we can see this problem. Especially, I can cite my State as an example. When I was a student, the total number of unemployed people registered in Employment Exchanges was only 26 lakhs. Now it is more than 43 lakhs. So this problem is increasing day by day.

What is happening now ? Are the State Governments or the Central Government attending to this problem seriously ? It is very unfortunate to say and it will be very surprising to say that even though we are faced with a very terrible problem of unemployment, the ban on employment can be seen in most of the State Governments and in the Central Government. There is no fresh recruitment for the posts which are lying vacant. There is a general ban on employment.

Sir, the Railways is one of the most important Departments, where we can give more employment to the people. A total ban can be seen there and also in all other Government Departments. This morning also, in the Question Hour, one or two hon. Members have raised a very valid question of filling up of the vacancies in the Ministry of Information and Broadcasting. Many qualified people are seeking jobs. They are in the queue but there is a ban. There is no effort on the part of the Government to advertise for the posts which are vacant in the Government. Therefore, the Government should immediately lift the ban on employment.

Moreover, the Government is also not taking adequate steps to create more employment opportunities. When there is no effort to create more employment opportunities, how will our educated youth get the opportunities ? From the side of the Government, there should be a concerted effort to create more employment opportunities. We have to see that a number of employment programmes are started. Every Government should announce a lot of employment programmes.

The NDC Sub-Committee had said that there would be total employment by the year 2002. Can we achieve that ? Are we in a position to achieve that ? The main elements of the strategy which has been endorsed by the ND Sub-Committee on Employment are the 11 proposals. I do not want to go into all the details. These proposals were discussed in the NDC Sub-Committee on Employment. They accepted them. As a principle, it was adopted that by the year 2002, total employment will be provided in our country. This is only a dream. We cannot achieve it. There is no effort for that. Take for example, the agricultural sector. This can give more employment opportunities.

Till now, there is no concerted effort for creating more employment opportunities in the agricultural sector. Of the 11 proposals which they have mentioned, one is about agriculture. No substantial step has been taken by the Government for giving more employment in the agricultural sector. I do not want to go into all the details of those 11 proposals which they discussed in the NDC Sub-Committee on Employment.

But one thing is sure that by the year 2002 A.D. we cannot achieve full employment. That is the reality. Now, another Government has come. They will contemplate or ponder over this situation and they will come out with some suggestions. What about the existing schemes ? There are a number of employment guarantee schemes like the Prime Minister's Rojgar Yojana etc.

In this august House, I raised two or three questions regarding the Prime Minister's Rojgar Yojana. Hundreds of people have registered their names for getting the loans under the Prime Minister's Rojgar Yojana. It was a very good programme and we will welcome it. But ultimately what is happening is that the youth of the country are not at all benefiting by that Scheme. The Scheme is named after the Prime Minister of India - whoever may be the Prime Minister of India - who is the constitutional head of the Government and in his name the Rojgar Yojana, has been formulated. In every district, a lot of people and educated youth have applied under this scheme... *(Interruptions)*

MR. CHAIRMAN : Please conclude.

SHRI RAMESH CHENNITHALA : Sir, I have only just started.

MR. CHAIRMAN : You started ten minutes earlier.

(Interruptions)

SHRI RAMESH CHENNITHALA : Sir, under the Prime Minister's Rojgar Yojana, during the last year, in my own constituency, more than two thousand applications were received by the District Industries Centre. There is a core group which consists of bank officials and other District Industry Centre's officials. They all sit together, scrutinise the applications and forward the applications to different banks to get the loans. But, unfortunately, there are no proper schemes and if there are proper schemes, the attitude of the bank is totally negative. The banks are not prepared to give the loans under the Prime Minister's Rojgar Yojana and their attitude is totally negative. I can cite a number of examples

So, under the Prime Minister's Rojgar Yojana, a very little number of people were given help in our country. If a youth wants one lakh of rupees, they will give only twenty thousand of rupees. With that twenty thousand rupees he cannot start a scheme. So, what will happen after one or two years? This man cannot start the business or the programme. Then, he will be treated as a defaulter and after some time the recovery proceedings will start against this youth who has taken twenty thousand rupees as a loan. Finally, he will be in utter misery. I can cite a lot of examples.

So, for these programmes - whether Prime Minister's Rojgar Yojana or TRYSEM or any other programme - proper monitoring and implementation is not there. The banks are not at all cooperating. They will say that 'We have only a limited target and you have recommended more applications'. The Prime Minister's Rojgar Yojana could not succeed because of the negative attitude of the banks and for all other formalities.

In this Resolution, it is rightly mentioned about the small scale industries. How can we promote the small scale industries in our country? We do not have the infrastructure. Let us first have the infrastructure without which we cannot start anything. Apart from that we do not have any facilities for marketing.

When I was the Rural Development Minister in my State of Kerala, we started an Integrated Rural Development Programme. This Programme was a very good Programme. This was a Programme to uplift the people who are below the poverty line. The poor people who are getting assistance under I.R.D.P. are suffering as their products cannot be marketed. That is the problem.

The poor people who get assistance under IRDP, are not in a position to market their products. So, we found out a way by providing certain outlets. During the festival season, we try to organise some meals so that their products can be marketed through some outlets.

In other States also I experienced that there was a lack of marketing facilities, infrastructural facilities and financial aid from banks. These are the hurdles which are being faced by the small scale industrialists in our

country. So, these problems should be attended to immediately. It is very easy to say that we have to promote small scale industries. The small scale industrialists are facing a lot of problems. The first and foremost problem they are facing is from the banks. The attitude of the banks is negative. They are not prepared to give loans to the upcoming small scale industrialists. They are not in a position to help them. That is the main problem which is being faced by all small scale industrialists.

Regarding Government programmes, I mentioned about the Prime Minister's Rozgar Yojana, IRDP, TRYSEM and Jawahar Rozgar Yojana (JRY). JRY is one of the very important and noble programmes which we have been implementing for so many years. In certain States this Programme is not being implemented properly. This programme is meant for creating more employment opportunities in rural areas. But the employment opportunities are being created only in the muster roll. Nobody is getting the actual jobs. The contractors have their own permanent workers. Only they will do the work and get the money and the contractor will get the money. Nobody in rural areas is getting proper jobs. No job opportunities have been created there. That is the reality in the rural areas. Even the money which is allotted for JRY, is misutilised. There are a lot of complaints about that. I am not criticising the Programme. But the Programme should be implemented properly. It should be monitored properly and its benefit should reach the people. But that is not happening in our country. So, all these programmes which we are formulating with noble ideas, seem to have failed.

I would urge upon the Union Government to ponder over this issue. This is not an issue to be solved only by the Government. The NGOs, the youth organisations and all political parties should be involved in this. I think a meaningful dialogue should be there to find out a way to solve this problem. No doubt, the population problem is one of the major problems which our country is facing and without curbing the population, we cannot achieve anything. So, a meaningful dialogue with all political parties, youth organisations and NGOs will help in arriving at a consensus. The Government programmes should be streamlined so that the benefit reaches the beneficiaries.

MR. CHAIRMAN : I have to announce that the time allotted for this Resolution was three hours. Already three hours have been taken. I suggest that this Resolution is very important and the time allotted for it may be extended. I think, if the House agrees, the time for this Resolution may be extended by another two hours.

SEVERAL HON. MEMBERS : Yes, Sir.

[Translation]

SHRI NAWAL KISHORE RAI (Sitamarhi) : Mr. Chairman, Sir, I thank you very much for the opportunity

given to me to speak on this Resolution concerning the unemployment problem.

SHRI RAMESH CHENNITHALA : You are the Chairman of the House Committee. The newly elected members are facing great difficulty in getting Government accommodation. I request you to look into this matter.

SHRI NAWAL KISHORE RAI : I shall consider the point of the members in all seriousness.

MR. CHAIRMAN : You please speak only on the Resolution.

SHRI NAWAL KISHORE RAI : The problem of unemployment is a very serious problem not only for our country but also for the entire world. The uneducated unemployed are facing great hardships and are living in abject penury. The members have made their points in details. I wish to thank Shri Katheria for the Resolution that he has moved here and provided us an opportunity to give vent to our feelings on this important question facing the country.

Sir, the unemployment problem is, no doubt, assuming gigantic proportions, as stated by Shri Ramesh. What is the solution of this problem? He has rightly said that we should rise above party politics while considering this important question. Today 36 million people are registered with employment exchanges. The persons who could not get themselves registered in rural areas are in quite a large number and this number is increasing day by day. All the members have spoken on this issue at length.

After independence in our country, it was believed that an attempt would be made to eradicate unemployment by setting up a network of small - scale industries. We had thought of setting up small - scale industries during the first fifty years of our independence to solve the unemployment problem. It is my firm belief that unless we introduce comprehensive reforms in our educational system, we would not be able to solve the problem of the educated unemployed. I wish to bring it to the notice of the government that in education, elitism and 'Doon' culture are on the increase. This must be checked. We should make radical changes in our educational system and make the education employment oriented. Today our B.As and M.As have only bookish knowledge. They cannot set up their own business. Therefore, government should bring about comprehensive reforms in our education so that people may get employment and thus, the problem of unemployment could be solved to a great extent. Besides, the budget on education should also be increased.

In other words, we think in terms of reducing unemployment through small-scale industries. We make plans to achieve the and but our plans do not yield the desired results and we fail to provide the needed employment opportunities. We support the proposal to include the right to work in the fundamental rights. Many

Members have made this proposal. We support it. When the National Front Government was in power, a Bill to the effect was proposed to be brought forward. But that Government ceased to be in power. Now the United Front Government, which more or less follows the policies of the National Front, has come into being. This question should be taken up now. The hon'ble Minister of Parliamentary Affairs is sitting here. I am worried about the Common Minimum Programme of the United Front Government.

In the programme, the unemployment programme, development of youth policy and the need for radical changes in our education have not found mention. The minimum programme is not a final one. We should give due priority to the unemployment problem in the programme. In the 10th Lok Sabha also, we had tried to raise these issues concerning the youth of the country.

In 1986, when Shri Rajiv Gandhi was the Prime Minister, a policy for the youth had been framed. For this, the effort of Shri Rajiv Gandhi was indeed praiseworthy but the needed change for the betterment of the youth could not take place through it. Then in 1989, Shri V.P. Singh's Government came into power. That Government decided to expand the framework of the youth policy. It included in its programme not only the unemployment programme but also all the relevant issues concerning education. That Government lasted 11 months. It had established National Youth Council in the country but the Council was also wound up after the dissolution of the Government. Since 1993, we have constantly been taking up the matter and in the 10th Lok Sabha, we had requested the Minister of Youth Affairs, Shri Mukul Wasnik in this behalf and he had assured us on the floor of the House that Government would take steps for the development of the youth policy by consensus and would accord such a youth policy the constitutional status and give out young people equitable rights. Supporting the Resolution of Shri Katheria, I request the Government to build a national consensus by convening a meeting of the young representatives of all the political parties, and voluntary organisations, freedom fighters, journalists, scholars, professors, doing research on the demand of the youth in various universities, and who write articles etc. on the problem of the youth and also of some other prominent people, where the problems of the youth should be discussed threadbare and a consensus hammered out... (Interruptions)

Sir, I would like to take five minutes more. I have worked among the young people. I request the Government of India to form a general consensus through debates for the formulation of the youth policy.

I don't say that the youth policy should be based on the ideas put forward by me. What I want to say is that a national consensus should be hammered out by eliciting the opinions of all concerned and on the basis of that consensus, a youth policy should be framed and given a constitutional status. On the basis of such a

youth policy, changes should be effected in the field of education and education should be made employment oriented and the right to work should be included in the fundamental rights.

Because of the liberalisation the people belonging to SCs/STs and OBCs are losing their jobs because there is no provision of reservation for them in Multinational Companies. Provision of reservation should be enforced in the private sector also on the pattern of public sector by amending the Constitution suitably.

The poor are unable to carry on their studies. They should be provided free education upto the Intermediate standard. Free education should be provided upto BA standard to girls. Beside including the right to work in the fundamental rights, education upto matriculation should be made compulsory for all. A National Youth Council should be set up by making necessary amendment in the Constitution. In 1993 we had sent a signed memorandum to the President of India for setting up a National Youth Council for the unemployed youth of the country but the Congress Government did not agree to it. They, however, constituted a National Youth Programme Committee. I was also its member. But that Committee could not function along smooth lines as it enjoyed no constitutional status. In a meeting also, I had submitted and today also as a youngman I am stating that the youth of this country is feeling that nobody in the country is thinking in terms of making the best use of his potential and energy.

I appeal to the Government to think for these young people of the country. In all the revolutions of the world whether it was Bolshevik Revolution or the revolution that had taken place in Japan or independence struggle of our country or the total resolution under the leadership of Loknayak Jaiparkash Narain, it was only the energy of the youth that was consumed. It is only on the strength of the youth that any struggle can succeed. Now time is ripe for the United Front Government to think over this matter seriously. We demand a National Youth Council with constitutional status for our young people. The body that is to function on the strength of our young people should not merely be a recommending authority for our young people. We want it to be an implementing committee enjoying constitutional status. It should be an elected Youth Council.

Shri Ramesh Chennithala pointed out just now that there is a ban on recruitment in all Department including Railways. This ban should be withdrawn. All these matters should be entrusted to the National Youth Council. This council should be formed democratically and given constitutional status. I again demand that it should not only be a recommending authority but should be an implementing authority. We should obtain the opinions of all concerned and entrust to this Council the task of social justice and education also. I earnestly hope that the Government would take it in all seriousness. After independence, we tried to solve the problem of unemployment by spreading a network of

small scale industries in the country. Many Members expressed their views in this regard differently. At the level of State Governments, small corporations were set up for the small scale industries. All these corporations were in bad shape. I had been a Member of the Parliamentary Standing Committee on Industry in the 10th Lok Sabha. Then I had the opportunity to tour Bihar, U.P., M.P. and Haryana. I found that all the State Governments had set up Industrial Development Tribunals. Land was acquired for setting up small scale industries. Shri Katheria referred to the glass industry of Ferozabad. I had been to Ferozabad as well. That is why I support him. I also found that the small industrial units set up by the State Government had become sick and the chances of their revival appeared bleak.

The National Renewal Fund was set up at the Central level for the revival of sick industries. As per my information, the unutilised amount of this fund is not being spent. Provision should be made to spend the unutilized amount on the revival of sick industries in the states. I hope the Government would consider this suggestion.

Mr. Chairman, Sir, the Prime Minister's Employment Scheme has been going on for the last several years. For this scheme a task force has been constituted. This task force selects the unemployed persons who are provided loans under this scheme. These loans are provided to them by the banks. These banks commit to various irregularities in the disbursement of the loans. The unemployed people have to run from pillar to post but they are unable to get the loans. It is very useful scheme. My suggestion is that a special committee should be constituted for this scheme which will listen to the views of all parties and accept suggestions for implementing the scheme. The loan amount prescribed under this scheme should be raised from Rs. 1 lakh to Rs. 5 lakh. There should be a time-bound programme for this purpose and payment should be made through single window system.

The Government should find a lasting solution and make this scheme a success.

Sir, I thank you very much for providing me an opportunity to speak on this subject.

[English]

MR. CHAIRMAN: Shri Hannan Mollah

SHRI HANNAN MOLLAH (Uluberia): I am sorry, Sir, when you called my name earlier, I was not present as I just went to meet a Minister.

MR. CHAIRMAN: Anyway, you are not denied the opportunity.

SHRI HANNAN MOLLAH: Sir, firstly I support the resolution moved by our good friend Shri Katheria. Unemployment is the most popular phenomenon in our country and every house is affected by it. You will not find a house in India where there is no unemployed young man or woman.

In that situation, we all are thinking as to how to solve this problem of unemployment. We have completed eight Five Year Plans and the aim was to reduce the number of unemployed people. But unfortunately, the queues of unemployed are increasing longer and longer. In spite of all the planning, in spite of all the programmes implemented during the last 50 years, the number of unemployed is increasing and it is very difficult now to ascertain the exact number of unemployed people. Earlier, we could get the figure of unemployed from the Employment Exchanges, but now these Employment Exchanges are not giving the real figures pertaining to the unemployed.

The Planning Commission and the learned people, every year, they increase the figures by two per cent or one per cent without undertaking any physical verification. Some time back, I was just talking with one of our great intellectuals, Dr. Ashok Mitra, who is a Member of the other House, and I told him that intellectual people like him, sitting at the office, just give the figures every year by adding some more without undertaking any physical verification. This is the situation and we know that the number of unemployed is around 15 crores or 20 crores because half of our women, the housewives, are unemployed; also, underemployment is there.

When we were building up the youth movement in this country, we felt that instead of demanding employment we should demand work. We had this concept of employment from the imperialist agencies where it means a clerical job. The whole country cannot become a place full of clerks. If the whole nation becomes a place full of clerks, then the nation had no future. We know how these things work. That is why, all along, we felt that we should have a culture of respect for the labour. Unfortunately, in our country, there is no respect for labour. I do not understand why a young peasant in a village, who grows plants out of seeds, is looked down. What is it that a peasant, who grows plants out of seeds, is given less importance when compared to a poet who writes poetry? Of course, a poet is creating something, but at the same time, the uneducated peasant in the village is also creating something by growing plants out of seeds. We forget to honour the labour. Normally, we think that they are low class people, but they are the people who toil, who create, and who are in a majority. We never accepted their dignity. In the case of those people, who are sitting in the offices doing planning and formulating policies, those involved in corruption and destroying the country, we have respect for all of them. They get all the amenities, all the respect, but we do not have any respect of those who toil, who work and who actually build up the nation in the villages and in the cities.

Sir, first, we have to create work which can give some source of income and with which we can survive. We have to create that type of work.

It is not enough to create only clerical jobs in the country. In this Resolution, there is no scope for discussing general unemployment. My friend has mentioned about the role of small scale industries in eradicating unemployment. Generally everybody knows what is unemployment, how it is created, who are responsible for this and how things are going on. The Resolution is actually about the role of small scale industries in eradication of unemployment. This is a very important Resolution.

I would first request the Government to stand by the small scale industries because out of four lakh industries in our country which are sick or closed, 90 per cent to 95 per cent of them are small scale industries. Only five per cent of them may be big industries. There are about 3,85,000 or 3,90,000 small scale industries. There are various types of small scale industries. How can we revive them? How can we sustain those small scale industries? These small scale industries should be given top priority by the United Front Government.

We know that we have a policy of giving protection to the small scale industries. But every Government that comes is reducing the list of industries which are specifically fixed for small scale industries and where big and medium industries are not included. This list of industries is meant for absorbing the unemployed. But every Government reduced the list and took out some items of production from the purview of the small scale industries. There is also some apprehension in the mind of the people that some more reductions may be made in this list.

So, I request the Government that the reserved list for the small-scale industries should not be touched and that this list should be allowed to continue and we should help those small scale industries which are included in this List.

Secondly, as regards the role of the financial institutions, they are not playing their role properly. Lot of complaints have already been received. It is a very difficult task to get a loan. Lot of paraphernalia is involved in getting a loan. Corruption is also involved in it. Every unemployed youngman gets frustrated if he does not get a loan. It takes three or four long years for him to get a loan of Rs. 30,000/- or Rs. 40,000/- or Rs. 50,000/-. He has to spend in advance a portion of this loan on account of corruption. Because of this corruption, the poor people, the lower level people and the small income group people engaged in small scale industry or cottage industry or, village and cottage industries, are suffering. How can we help them? This problem should be given top priority by this Government so that whatever amount of money is allocated for these small scale and cottage industries should reach them and that amount can be fully utilised.

The third problem is about raw materials. Various types of small scale industries need various types of

raw materials and the availability of raw materials is a big problem whether it is carpet industry or handloom industry, hosiery industry or other small industry. Everywhere there is shortage of raw materials. So, the Government should plan properly to see that raw materials are available easily and at a proper price. There should not be any blackmarket for these raw materials.

The fourth problem is marketing of production. They cannot go to market to sell whatever they produce. In between, there are many middlemen who loot them. If a product is priced at Rs. 5, it is sold at Rs. 50/- and the producer gets only Rs. 5/- maximum, but the middleman takes Rs. 40/-.

If we can reduce the role of the middlemen for in-between, then the actual producers and the small scale industries can get the benefit. So, proper arrangements should be made in respect of their easy access to market and other aspects. If the Government takes care of all these things, then only unemployment can be solved. I hope that the United Front Government is committed to that. The Prime Minister, time and again, announces that we will be helping not only the elitist sections, not only those rich people but also the common people, the small scale industries among the industrialists, the cottages industries etc. Among the industries, the small scale industries and the cottage industries are run by common men, ordinary men and the rural people.

So, I would request the Government to keep its promise in full and stand by the small scale and the cottage industries. This Government stands against all the pressures from the monopolists, multinationals and all the big people. If the Government can withstand those pressures and stand by the small-scale industries, then only large number of unemployed persons can be absorbed. The small scale industries and the cottage industries provide the largest number of jobs in our country. If we can stand by them, then only the large number of unemployed can be absorbed. I hope the Government will take note of these suggestions and take necessary steps in this directions.

With these words, I conclude my speech.

SHRI SURESH PRABHU (Rajapur) : Sir, I really welcome the Resolution moved by Shri Prabhu Dayal Kataria not because he has Prabhu in his name but because he touches a very important aspect of unemployment. I am also happy that he has not only talked about unemployment but also linked it with another important issue of small-scale industries. So, maybe, in many ways these are interrelated issues as I can talk about them a little later.

We always say that unemployment is a global phenomenon and we should ignore it like we say many times that corruption is a global phenomenon and it should not really bother us because in the process of

globalisation this unemployment problem and corruption are bound to be there. So, I do not think this is what is really meant by learning from globalisation.

This unemployment is an issue which is of great importance not only from the economical point of view but also from the social point of view. It is like a social stigma for the entire society when some people say that they are prospering while others are languishing in poverty. Many problems in many parts of our country, particularly in the North Eastern area, Eastern part of our country and also in some other parts of the country which are really backward where we see the increasing incidence of terrorism, are due to the basic fact that we cannot provide jobs and we cannot create more employment opportunities to those who are seeking it in the job markets. We have got some very interesting statistics in this regard. Of course, statistics can prove anything.

We have got the statistics. I am citing the figures from the report of the CMIE. It says that in 1961, there were nearly 327 employment exchanges in the country and in 1995 the number of employment exchanges have increased to 891. The number of people who had really registered themselves for jobs in the live employment exchanges, as we call them, was approximately 18.33 lakh in 1961 and it grew to 372.84 lakh in 1995, after thirty-five years. But, Sir, if we really try to compare this projection and this statistics with the ground reality, it would be entirely a different thing. One of my learned friends said that in every household there is an employed person now. That is the situation. We know the number of households that we have got in the country. So, unemployment must be definitely close to more than 22 per cent as was assessed by one very reputed agency which did a survey on the unemployed people in the country. Thus, this problem of unemployment assumes serious proportions. If this problem is not tackled in the shorter possible time, it may really assume very serious proportions in times to come with severe repercussions. Thus, this problem is related to the small scale industries also. As we know, any job to be created in an economy would arise from three sectors.

17.00 hrs.

They are, services, agriculture or industry and manufacturing sector. In the last few years, we have seen that the manufacturing sector has been growing at a very good rate. It has even grown at the rate of almost ten per cent. But the number of jobs created by this sector has not kept pace with its increase in industrial production. This is a new phenomena which is taking place in the country wherein we are now going into new technology seeking to replace and displace workers and trying to make it more production efficient, cost efficient and thus the number of jobs in the manufacturing sector is going down.

The other alarming feature is that agriculture is not growing at the rate at which it should have grown. In fact, it is not even growing at a rate at which the population is growing. This is another alarming feature of the economy. It is not a part of today's discussion.

The third sector is the services sector. It is, of course, growing as it is growing world-wide and also creating new jobs. But the jobs which are created in the services sector do not relate to the ground realities of unemployment which exists in rural India. And as we know, 70 per cent or 80 per cent of India is rural. That is why, we are really concerned about unemployment in that part of the country. We must now really try to find out solution to this problem. The small-scale industries can really play an important part and can really address itself to the situation. Small-scale industry is something which can be started by anybody. There is no entry barrier. As we discussed some other industries, we are now creating entry barriers by way of saying that unless you have so much capital you cannot enter this sector, unless you have so much of expertise, you cannot enter this sector whereas this particular sector, the small-scale sector would be entered into by anybody and thus it is very important. By doing this, as is proposed by some of my hon. friends here, it cannot be done by starting another scheme. Just to illustrate the point, we have several schemes in the country. Had these schemes been going to solve the problem, then there would not have been one young person unemployed in the country. We have got the Poverty Eradication Programme, Rural Poverty Alleviation Programme, Integrated Rural Development Programme, Jawahar Rozgar Yojana, Employment Assurance Scheme, Urban Poverty Alleviation Programme, Nehru Rozgar Yojana, Prime Minister's Integrated Urban Poverty Eradication Programme, Scheme for Slum Dwellers again in the name of removing unemployment. The net result and the bottom line of all these schemes is that more than 22 per cent of the people are unemployed in the country. Thus we need to really find out how the small-scale industries could survive in the country because they could solve the unemployment problem, they could create purchasing power in the hands of lot many people, more than what is done by creating jobs in the manufacturing sector in the country in all bigger sectors.

17.02 hrs.

(Mr. Deputy-Speaker in the Chair)

One of my learned friends, Shri Ramesh Chennithala has also quoted a very important statistics, a report from the International Labour Organization (ILO) which also illustrates and in fact makes us all concerned about the shape of things to come. I would also share the same perception about the problems that are going to take place in the country. In that perspective we must realize how to address ourselves to solve the problems of the small-scale industries. One of the earlier speakers, in fact, the one who spoke a little earlier than

this, said that there are several problems pertaining to raw material, pertaining to other areas. I would not touch upon that.

One point I would like to mention which is of a very great importance. We passed a law in this very House saying that if a cheque issued by a company is dishonored, it becomes a cognisable offense. Small-scale industries are not paid on time by the companies for the goods which they buy from them. If they are not paid in time, the small-scale industries do not get paid for nine months, even for twelve months. They really face a serious problem of non-payment. This is an issue which also needs to be addressed. At least, the Small-scale Industries Act needs some sort of an amendment to provide some more teeth so that the small-scale industries could get paid well in time for getting over the problems of liquidity.

Another problem which I think, the Government must really address itself very quickly is the problem pertaining to infrastructure. I know the country itself is facing a problem of infrastructure. The Common Minimum Programme of the United Front Government says that the requirement of infrastructure, according to its estimate, is 200 billion dollars which is close to Rs. 7 lakh crore. I do not know in how many years it is going to meet this requirement. According to the same Common Minimum Programme, the country can absorb only the billion dollars a year from foreign direct investment in infrastructure.

So, going by the same estimate, probably we need another twenty years before we can really solve the problem of infrastructure at today's rate and at today's requirement if ten billion dollars of investment goes into this sector every year. This is a problem of the country. But even the small scale sector is facing the problem of infrastructure. I think the hon. Member who was lucky enough to have been the Minister of Power in the Union Government would also share this perception that power is an important constraint which all the small scale industries are facing. The rate at which they have to buy power from the various Electricity Boards is ridiculous. Sometimes they have to pay the minimum charges even when they are not getting power! This is an instance which I can quote from the constituency which I represent in this Parliament that the industrialists of some of the under-developed areas of Konkan are required to pay electricity charges for which they have not received power. This is a very ridiculous situation. We have to get over these infrastructural bottlenecks of the small scale industries which also means that we have to provide water, road, etc. to them. I am sure, the Government will address itself to this problem.

It is like Abhimanyu that a small scale industrialist will enter the sector because he feels that he can get over his social problem and would not be able to come out because he has started a small scale company, he has borrowed from the banks and now he is not able

to work because there is no infrastructure. This is what happens many a time resulting in the closure of small scale industries or causing sickness in those industries. We are talking about industrial production going up by eight per cent or nine per cent, but we are really not talking about how many of these are coming out of sickness. It is very important because we are a capital starved country. We always invite foreign capital because our domestic savings are not even 22 per cent of that GDP. We always see that our domestic savings will not be sufficient to meet the requirement that we have in the country because we do not have enough capital. If that is the case, the amount of money that is invested, the amount of money that is blocked in these small scale industries which have become sick now, has to be properly brought back into circulation. We must have an action plan to revive these small scale industries by infusion of additional capital, by infusion of new technology into the sector which will make them more competitive to face the challenges of the times to come.

I would like to say that we must always march forward. In life nobody says that you walk forward by looking backwards. This is not only true of human beings, but it is also true of the society. A dynamic society like India could never look back in its march towards prosperity. But we must always learn from history. In our country we had prosperous village industries not many years ago. These industries have created so many jobs. They have also created more craftsmen and the skills of the workers were paid. They were creating jobs and a lot of wealth which was also accepted universally. These village industries somehow were throttled and were killed. In the process we created a lot of social tension. These artisans, these craftsmen are now migrating from rural areas to urban centers. They do not know how to work in the revised or changed world. Their life-style has been completely changed. So they are absolutely out of place in the new world and their skills also are not utilised. On the one hand we have got artisans who are capable of creating wealth, but on the other we are not able to utilise it because we are not encouraging the village industries. I would therefore strongly urge the Government to make a policy framework in which village industries would get back their prominence and the place of pride that they once had. This untapped wealth of our own citizens could be brought into the national mainstream.

We have got another problem which I think my friend Shri Ramesh has also touched. I would like to stress it again. There is the problem of disguised unemployment or disguised employment if I put it the other way round. We always talk about so many jobs created every year, so much of new wealth created every year. But the figure that we give has also got an element of disguise. These jobs which on the face of it appear to be physically employed, are not really fully employed. Hence we should address ourselves to the

fact that when we talk about employment there is the problem of disguised unemployment also.

One important aspect, which, I am sure, has already been touched upon is, whenever we talk about unemployment, we talk about it in two parts. We say, there are the educated unemployed and there are the uneducated unemployed.

The education that we provide fails to meet the economic needs of the person who has been well equipped to seek a job. It is a failure of the system. Education has to bring about enlightenment. Education has that definite role to perform.

In our ancient culture also people used to go and worship in *in ashrams* so that they could be enlightened. That is the object of education. In the modern society, we say, 'If you are not educated, you do not get a job'. You have that misconception. They want to schools, colleges and universities but their going there had failed to provide them jobs.

We must divide education into two broad parts. We must have education which gives knowledge, we must have education which could provide jobs. Hence, even at the national level, we must have an educational policy which divides education into two broad parts : education for knowledge and education for jobs. Education for jobs, which could be called 'vocational education' has to be provided at various levels and particularly so at the village levels utilising the ancient skills of our craftsmen, who have really got that as part of their genes.

Another aspect, which I am sure, is going to be appoint of concern for many of us is the problem which my hon. friend has mentioned. He also hails from a place, similar to the one which I belong to a place called Konkan in Maharashtra. It is on the west coast of India. We have got a large number of persons who have been engaged in the occupation of fishing. They are under a serious threat. This is not directly related but this is small scale activity which provides tremendous scope for employment. It is under threat because we have been having offshore fishing by foreign trawlers, deep sea fishing by foreign trawlers. I do not know when did we say that our doors are open for everybody. We never meant that our shores are open for anybody to come in. That is ancient history. We have always welcomed all our guests. But those guests who come and loot us are not the guests whom we want in our country. We would certainly like to welcome anybody to come here and help us out. Or, if they needed help, we can also help them but not at the cost of the lives of the fishermen who have been ruined and totally devastated on account of this onslaught on their legitimate rights. We must have a policy, I am sure the Minister concerned would take note of it and would really get into this.

Another point is this. One of the hon. Members, Shri George Fernandes has introduced a Private Member's Bill which seeks to give to every person the

right to work. I am glad that one of the hon. Members who spoke earlier said that we must provide for dignity of labour. It is not that if you are working, you have to be looked down upon. A person who really works has to be respected and the right to work has to be seen in that perspective. So those who are seeking work, but for whom the system cannot provide work, have to be given a compensation. It is a foreign concept, a Western concept to call it a 'dole'. Whatever name you call it, the nomenclature is not important. What is important is, if a person equipped to get a job is not employed, he has to be compensated for that. I think, this is also a point of the Common Minimum Programme because this is the minimum that a person can expect from the society. As a guardian of the new society that is emerging, I am sure, the Common Minimum Programme does have this minimum point, which is so common and which can be commonly shared by everybody. It has to be there. I am sure the Prime Minister, who is not present here at this moment but hailing from a background of a poor peasant, would certainly share this perception with me though I cannot claim to be one such person.

Lastly, I would like to make one or two points. These are the days of technology which you cannot overlook. The ways of new technology transformation and new technology changes are sweeping our country, not only our country but all the countries across the globe. It is often described by many of the scientists, economists and sociologists as the age of technology. So, we would not like to lag behind in that also. The Government must have a technology bank, a technology transfer situation in which small scale industries could have access to the world known technology in that sector so that they can also upgrade themselves in the art of technology. But technology should be available to the common of the common man so that he can compete with the big players and with the top players. So, we cannot overlook the fact that even in a country like the United States which has the largest GDP in the world, more jobs are created by this sector. More jobs are created by the small sector than large industries in that country also. In fact, they say, 'We want jobs but we do not want Mac jobs' because more jobs are created by *Macdonalds* on hourly basis and there are no confirmed jobs. So, they say that they do not want Mac jobs, the *Macdonald* jobs, but the real jobs. These jobs are provided by the small industries and not by the large industries. So, I would say that it is very important. We should not forget that our small scale industries must also have access to the technology.

Sir, my last point pertains to the financial bottlenecks of the small scale sector. It is always a good desire to start a business. But to run the business, we should equip them. That is very important. Otherwise, as I said earlier, they will reach a situation like that of *Abhimanyu* who entered the fray but did not know how to come out of it. To prevent that kind of a situation, we must really educate every person in the art of running the business.

It is very important. We generally say that banks do not give money. We know that more than eighty-five to ninety per cent of the money with the banks belongs to us because the entire banking sector, barring a few private banks and foreign banks are all nationalised or cooperatised. Ultimately, this sector's money belongs to us because it is public money. So, funding small scale industries out of goodwill and out of good feelings is not enough. What is more important is to see that this money is well spent and well utilised and to see that this creates more wealth and for that training small scale industrialists is necessary.

I would really urge upon the Government to do two things. One, there is need to create venture capital in our country. When we talk about globalisation, we must try to look at what is happening in the rest of the world. We cannot look at India in isolation and say that *Macdonalds*, *Kentucky Fried Chicken*, and *Pizza Huts* are there all over the world, so they must be in India also. Surely, why not? When we are doing that, then we should not forget that in the United States, there are hundreds and thousands of venture capital companies. There are companies, there are venture capital institutions which provide venture capital to small scale units. Anybody who wants to start a business can get venture capital from these institutions. There are incidents somebody said - when father used to give money to his son because he feels that he has earned it and the son is going to waste it. It is because the father feels that he has earned it by working and his son is going to waste it by doing business because doing business in the Indian culture is something which is not really appreciated.

MR DEPUTY-SPEAKER : Please conclude.

SHRI SURESH PRABHU : Yes, I am concluding.

Therefore, what is important is venture capital fund. Venture capitalists will give you venture capital because when you go to the banks to borrow money, they will give you only seventy or seventy five per cent of your requirement. The remaining twenty five per cent is your equity which you are supposed to contribute. But the problem in India which is capital starved is that people do not have even this twenty five per cent of capital. So, where to find this twenty five percent capital at lower cost? That money is provided by the venture capitalists. I think we must encourage more and more companies to start venture capital. Here, only one or two companies started it. IDBI started it. ICICI ventured into it. I would not even say that they have started it. But they only tried to start it. There could be a possibility also. We had a scheme in India according to which the banks would require to lend money at four per cent Differential Rate of Interest. The difference between Differential Rate of Interest rate and the actual rate was a sort of subsidy. But they discontinued the scheme. We can request all foreign banks, all Indian banks and other banks to use part of their profits to create a corpus of fund to start

venture capital fund. This in turn will help many small industrialists to start their business and could create more jobs for themselves and in that process will help the country also

Sir, I know that there is a constraint of time. But I will very quickly put forth another point. We started a small Exchange in our country, called the OTCEI, that is, Over The Counter Exchange of India. If that Exchange is made to function properly, it could provide a boon to small scale industries which are wanting to fund the projects by having access to the capital markets. As you know, the capital markets have grown considerably, resulting in a lot of other problems. If this access is made available even to small scale industries, they can enter it through this route and I am sure it will help a lot of new entrepreneurs to enter this field. I feel that OTCEI also needs to be strengthened and streamlined in times to come

Sir, I really thank you very much for giving me the time. I know, I have overstepped my time limit. Anyhow.

SHRI D. VENUGOPAL (Tiruppattur) : Mr. Deputy Speaker, Sir... (Interruptions)

SHRI RAMESH CHENNITHALA : Sir, there is no simultaneous interpretation (Interruptions)

MR. DEPUTY-SPEAKER : Shri Venugopal, please wait. We are not getting the simultaneous interpretation. It is better if you speak in English

(Interruptions)

[Translation]

SHRI THAWAR CHAND GEHLOT (Shajapur) : Is the hon. Minister getting it? We are not getting it (Interruptions) Besides, there is no one to note down here in your secretariat. The speech is not being translated.

[English]

MR. DEPUTY-SPEAKER : They are arranging for interpretation

Now, we are getting Hon. Member may continue.

*SHRI D. VENUGOPAL (Tiruppattur) : Mr. Deputy-Speaker, Sir, we must provide job opportunities to the jobless youth. We must put an end to the unemployment problem and we must ensure that all the benefits of the governmental schemes trickle down to all the people of the country. Thousands of youth both educated and uneducated are left unemployed due to the lack of adequate employment opportunities. Those who have completed graduation after spending so many years in educational institutions are waiting endlessly after registering their names with the employment exchanges. It is a painful thing to note that only ten per cent of them could get job while 90 per cent of them are left in the lurch. These educated unemployed most of them graduates knock at the doors of the Government offices

* Translation of the Speech originally delivered in Tamil.

and organisations throughout the country in search of job. It is 50 years since we have won freedom and I wonder when we are going to put an end to this hapless situation. Only then we could acquire a respectable status in the eyes of the world. Only through industrialisation we would be able to create more jobs. We should resort to this one and the only viable process of changing the scenario.

As part of industrialisation we should concentrate more on small scale sector and we should provide ample opportunities for the needy with the required assistance to start small scale units of their own. We should encourage small entrepreneurs to go in for setting up their own units so that small scale sector gets a boost in a big way. We have been giving protection to the small scale sector by way of reserving certain items to be manufactured exclusively by small scale units. In 1967, 47 items were reserved for the small scale sector. After about 20 years in 1996 we find 836 items find this exclusivity. Now at this juncture, we are in the process of evaluating the need to give this exclusivity of reserving certain items for manufacture only in the small scale sector.

As part of the economic liberalisation process, market economy and its impact has come into vogue. These market forces are posing enough of challenge to the small scale sector. So it is imperative that there should not be any reduction in the number of items reserved for the small scale sector. Instead the Government can think in terms of giving a boost to the products manufactured by the small scale units by way of setting up marketing organisations.

We find several MNCs coming to India. They should be allowed to operate only in certain specific industrial activities duly permitted by the Government. They should be allowed to invest in big industries which call for high technology and foreign investment. They should be desisted from marketing any other product other than the ones they manufacture. But we find the contrary happening here. Some of the MNCs are marketing the products manufactured in the small scale sector. In the name of marketing and promoting the products already available in this country they sell them at a high price making huge profits. We should not allow MNCs to exploit the small scale industrial units of this country. This will affect our economy and also the industrial growth because small scale units are not getting their due share in the profits.

I would like to impress upon this Government that the impediments in the way of the growth of small scale sector should be removed. The Government must think in terms of giving a boost encouraging the youth and the unemployed to have easy access to the financial institutions. There should be liberal loan assistance. Infrastructural facilities needed by the small scale sector should be provided as far as we can. Finance, electricity, water and other related basic facilities should be available easily. There should be single window clearing system.

In the pattern of IDBI and SIDBI the Government can consider setting up National Craftsmen Development Bank which would be of great help to rural artisans and craftsmen. This would give a solace to small scale sector and protect the craftsmen from being exploited by middlemen who sell their products for a high price paying a pittance in the form of investment assistance.

I hope steps in this right direction will be taken up by our hon. Minister for Industry, our beloved Shri Murasoli Maran. I wish he succeeds in his endeavour to usher in a new era of industrialisation in the country.

I would also point out to this House the right steps that are being taken by our D.M.K. leader and the Chief Minister of Tamil Nadu, Shri M. Karunanidhi to ameliorate the sufferings of the unemployed youth, especially the educated unemployed. He has announced a scheme meant for the unemployed graduates in the State to work as Rural Welfare Officers. Nearly about 35,000 youth will get job opportunity through this scheme which was announced in the Budget submitted on 17th of this month in the Tamil Nadu State Assembly. I wish Union Government also emulate such pioneering schemes implemented by various States especially by Tamil Nadu.

Lastly, I would like to emphasise the need to have single window clearance wherein all the unemployed youth who prefer to go in for setting up their own SSI units will get all the assistance from the Government. There should be liberal loan assistance and nationalised banks should be suitably advised in this regard to come forward to help the needy youth. We may convene periodical meetings of officials both from the Government and the financial institutions meeting the youth, the promising entrepreneurs who would be getting all possible assistance to set up their own small scale units. Their applications should be processed then and there and they should be encouraged to carry out their venture which would help not only the individuals but also the country in a big way. The Government should also come forward to give necessary guarantee on behalf of this needy youth and should also give insurance cover for possible loss, if any. This will give a boost to the morale of these small entrepreneurs and also to the economy.

Thus, expressing my support to the Resolution which seeks to put an end to unemployment problem, I conclude my speech.

SHRI CHITTA BASU (Barasatt) : Sir, I rise to support the Resolution moved by Shri Prabhu Dayal Katheria.

The Resolution has go two parts. In one part, he seeks to draw the attention of the House and through this House to the countrymen about the increasing unemployment in our country. In the second part of his Resolution, he has made certain suggestions regarding the small scale industries and the problems faced by them.

To begin with, I want to draw the attention of the House to a very grave situation regarding the poverty of our country. Very recently, I think only a month or so before, the UNDP Report of 1996 has brought out the dismal situation in our country in regard to poverty.

Sir, unemployment and poverty are Siamese twins. You cannot separate one from another. Unemployment and poverty are inseparable. I am sorry to find that some of the hon. Members of this House and economists in general try to avoid the stark reality of poverty by saying that unemployment is a global phenomenon, as corruption is a global phenomenon, as if there is no solution to the unemployment problem in any part of the world and so far as India is concerned, the problem can never be solved. Those who have got this idea to preach do remain, what I shall say, oblivious of the fact that only a few years before, one-third of the world population was free from this course of unemployment under the regime of socialist States in Europe and in other parts of the world. Even today, there are certain countries where there is no kind of bane of unemployment and there are some countries which have solved this problem by pursuing the new method of economy and new policy of economic management.

Let us come to the report itself. The report mirrors the agonising and the most deplorable poverty of Indian masses. Some economists estimate that 23 crores of people are below the poverty line in our country. That being so, if we consider it in terms of the earning capacity of those 23 crores of people of our country but if we take into account the lack of basic human needs and economic capacity to meet the basic economic needs, the report of 1996 of the UNDP has come to the conclusion that more than 55 crores of people are below the poverty line in India.

Sir, it is not only the question of capacity to work but in the modern age we should also take into account the capacity to provide for the minimum human needs.

Sir, the report also says something very alarming. It says that 85 per cent of the world's total assets are being occupied or being owned by only 20 per cent of the rich people. 85 per cent of the total assets of the world are being owned by only 20 per cent rich people! Therefore, the poor-rich relations come into play. We cannot ignore these very facts. Poverty, unemployment and other drudgeries of life are irretrievably related to the poor-rich relationship. It is the device of somebody, some so called economists who have just altogether forgotten the relations between the rich and the poor while calculating the poverty of our country.

Sir, let us try to understand India's position in the context of the world. In terms of percentage, India is behind 88 countries. In terms of total human development, India's position is 135 amongst 174 countries. India is behind Pakistan and Canada and slightly above Bangladesh, Bhutan and Nepal. This is the situation. If somebody says that it is a global

phenomenon then I cannot but criticise it strongly - India is a part of the globe, there is no doubt about that - by saying that India cannot never aspire to be a part of the poor world. We want to have a legitimate share in the prosperous world.

Sir, now let us come to the so called 'theory' - the theory of trickling down. The question is about the model which we have chosen for economic development. Today, I am sorry to say that the model we have been pursuing since Independence has been the model which does not seek to solve the problems of poverty and unemployment of our country. Unfortunately, I am constrained to say that India in its wisdom chose to follow a model of development showed by the IMF and the World Bank. That model is the model which leads to killing of jobs and not for expansion of jobs.

Sir, I am grateful to this Report which has very clearly identified this problem and said that the model has to be changed; unless the model of development is changed, the job potential cannot increase. The UNDP Report says that this model - this IMF and World Bank sponsored model - does not help in growth but ultimately fails to trickle down. It does not trickle down. On the other hand, it hinders the growth itself, rather negates growth and becomes counterproductive.

Now, the question before this Government and before this House is, should we continue to follow that model sponsored by the World Bank and the IMF? Should we continue that model which ultimately leads to de-industrialisation? Should we continue that model which ultimately does not create jobs but kills jobs?

The UNDP Report says further

"A study of 69 countries over the past decade showed that of the 46 countries which have recorded economic growth, only 27 saw employment increase while, 19 countries experienced jobless growth"

Today, there is growth in the world. There is development. But it also kills jobs. India should avoid that path. My grievance is that we are continuing to follow that path, that model, which does not expand the employment opportunities or employment potentials but kills the job potentials. For the benefit of this House, I want that this model should be changed.

What has been the consequence of this model that we have been following in recent past? I do not want to take into account all those earlier periods. I will deal with 1991-1995, which you cannot forget, which we cannot afford to forget and we should not forget. We should take lessons out of it. The consequences of IMF-World Bank model 1991-95, led to the exit of 1.5 lakh of workers in the country, from the public sector undertakings. That is the consequence of that model. There has been a lot of abolition of job. It comes to 6.46 lakh because there has been no recruitment in the Central Services for the last five years. Are you creating jobs? Did you create jobs or devour the jobs? More

than 4.5 lakh of active, small, medium and big units have been closed and that closure, that sickness, is due to the model that we have been forced to follow by the World Bank and International Monetary Fund. There would be loss of jobs if the Government accepts and implements the recommendations of the Malhotra Committee of the insurance industry. There will be further loss of employment if the Government accepts the recommendations and implements the recommendations of the Narsimhan Committee on the banking industry. Therefore, Sir, it is the policy that devour jobs. It does not create jobs. Unless we change this model, I think we shall not be able to make any dent on the unemployment problem in our country.

I do not want to take your time to mention what unemployment means for the common man, what unemployment means for the country and where this unemployment problem leads to. You cannot think of solving this insurgency problem. You cannot think about the alienation of masses from the Government. You cannot think about the alienation of people from the machines unless you take into account the model of economic management, the model of development. It is not only the question of development, the question is development for whom? The question is, in what way is development sought for? It is not merely a development, it cannot be economy only for development but development must and should have some kind of social justice content, should have some element related with social justice and some other social problems also.

I have got some figures to quote. During the last few decades, the increase of employment has been hovering around 2.25 or 2.1 lakhs. This increase in employment is mainly because of the public sector. So far as the private sector is concerned, there has been a negative growth of employment. Sometimes, there is zero growth of employment.

As a matter of fact, the public sector undertakings are the major employment-providers in the country. The model which we have been forced to pursue stands for privatisation, stands for globalisation, stands for liquidation of the public sector in the country. How can you solve the problem? How can you approach the problem?

I will give two instances. We had a scheme called Janata Cloth Scheme. The Public Accounts Committee had suggested in its Twenty-second Report that the Janata Cloth Scheme should be abolished and, I think, that has been abolished. What are the consequences of it? I am not challenging the wisdom of the Public Accounts Committee. The Committee had recommended providing alternative employment for the displaced people. The Scheme had been stopped but no alternative arrangements had been made. Imagine the gravity of the situation.

According to the All India Handloom Census, there are about 4.3 million handloom weavers in the country out of which 2.2 million are full time weavers. Out of

the total number of 3.8 million looms in the country. Assam has over 1.4 million, about 41 per cent, the largest number in a State. Then comes the State of Tamil Nadu and then comes Maharashtra. There are a large number of weavers who belong to the small-scale industry sector, who are self-earners.

SHRI P.C. CHACKO (Mukundapuram) : Traditional industries are different from small scale industries.

SHRI CHITTA BASU : What I mean to say is they are self-employed. This sector provides the largest employment opportunities next to agricultural sector. The Census says so. The kind of economic policy that we are following deprives the common man of the means of livelihood, of the means of production, and of the opportunities to live.

Mr. Deputy Speaker, Sir, the second part of the Resolution deals with small-scale industries and their problems. Everybody would agree that the small scale sector accounts for 40 per cent of our foreign exchange earnings. It also contributes about 38 per cent of our GDP.

I take this opportunity to express my apprehension about the policy statement that was made some time ago by the hon. Minister of Industries. He said that the Government proposes to increase equity participation limit of foreign companies from 51 per cent to 74 per cent. The Government proposed also to redefine the small scale industries providing for larger investment by indigenous effort of big companies. If that is allowed, if multinational corporations are allowed to enter into the area which was reserved earlier for the small and cottage industries, the employment potential will not expand but it will be further narrowed and the problem will become unmanageable.

Sir, if this model is not changed and more and more opportunities are created for the entry of multinational corporations into Indian economy, the result will be further disastrous.

The result will be further disastrous.

Therefore, in conclusion, I would like to say that it is not merely the number of unemployed, it is not merely the question of whether there is any country all over the world where there is no unemployment problem. The debate should not rest there, the debate should relate to the question whether we should pursue the present model of economic development of reverse the model. I am for the reversal of the model.

Sir, unless we reverse this model, unemployment problem cannot be solved; national economy cannot be strengthened; we cannot have a prosperous India and India will ultimately be landed in ruination from which the Government will take appropriate measures to learn from the mistakes of the earlier Government and reframe the policy and rebuild the economic model for our country and that alone can ensure full employment and make India strong and prosperous.

With this, I support the Resolution moved by Shri Katheria.

[Translation]

SHRI BRIJ BHUSHAN TIWARI (Dumariaganj) : Mr. Deputy Speaker, Sir, this Resolution of Shri Katheria provides us an ample opportunity to consider various aspects of the unemployment problem which has assumed alarming proportions in the country these days. Several members expressed their views on unemployment problem. I would like to state that unless we have correct figures about unemployment, we cannot frame any new policy in this regard. The figures given are misleading. I agree with the view expressed here that there is not a single family in the country where at least one person is not unemployed. Therefore, there are more than 15 crore unemployed people in the country. My first suggestion is that Employment Exchanges should be opened at tehsil level, block level and in all the universities. So that we may have a true picture of the number of unemployed people in the country.

The second suggestion pertains to the policy. Our hon'ble Member has rightly said that Unemployment problem is the result of the economic policy and the developmental infrastructure that we have built in the country; this unemployment is the quintessence of our entire economic development. The economic development structure that we have adopted aims at the betterment and development of a few selected people having vested interests. The solution to the problem of unemployment is possible only when own economy is liberalised. For that, we shall have to develop our agriculture and industry. Solution of unemployment problem does not lie in absorbing people in government jobs only. We shall have to provide them employment opportunities in ample measure. Otherwise, poverty will increase in our country. Unemployment is directly concerned with poverty and poverty gives rise to all sorts of social and other problems. Therefore, we should consider this problem seriously.

Thirdly, the imported technology that we are using in our big industries is very expensive and is not commensurate with the results achieved. India is a poor country and is facing financial constraints. If we invest that scarce capital in industries which do not provide ample employment opportunities to the people we will not be able to solve the unemployment problem. Therefore, we should use such technology as may provide maximum employment opportunities to our people. Besides, that technology should be easy and simple to understand and follow. If we introduce some high technology in our country, it will benefit only a limited number of people.

You know the position of illiteracy and poverty in our country. Our greatest problem is that in our rural areas, there is utter lack of new technical know how. I came from the eastern region. In our eastern U.P., the trades in our old ITIs have become absolute and are of no significance now. The polytechnics are inadequate

in number. They are unable to provide new technical knowledge to the required number of people.

Therefore, on the one hand, we should provide information about the latest and the best technology to the people, and on the other, we should develop such technology and such machines as are easy to understand and simple to follow and put to use. Then only the problem can be solved.

In the Resolution, many suggestions have been made to solve the unemployment problem. But, the suggestion of encouraging the small industries appears to be more useful. We followed a different industrial policy in 1956 and during Janata Party regime. But in pursuance of the industrial policy adopted by the previous government, we invited MNCs and big industries to our country. We are not averse to MNCs and big industries. We want that a specific area be reserved for them. If we follow those consumer items to be produced by big industries, for which high technology and big machines are not required, then our small industries would not be able to compete with them and would perish. There are three reasons for this. The production cost in big industries is comparatively low and the marketing facilities that are available to them because of their aggressive advertisement policy, are not available to small industries. Besides, because of their high technology, the facilities available to big industries through banks, financial institutions etc. are not available to small industries.

A Plaster Complex in our Basti district could not be successful precisely for this reason. For the development of small industries, we should first conduct a survey to find out whether raw material, technology, marketing facilities are available in the areas where these are proposed to be located. The raw material for the plastic complex set up in Basti.

18.00 hrs.

Used to be brought from Delhi. The result was that plastic goods manufactured there could not compete in markets of Delhi and other markets. Therefore, before an industry is set up, a survey should be conducted to find out whether raw material etc. is available there or not. Besides, corruption in getting bank loans and the Inspector Raj should come to an end.

I want to give an example. At present, a rice mill cannot instal a machine for the shelling of paddy without getting a licence. Let alone big machines, you cannot instal even a small machine without a licence. What sort of a law is this? If farmers are exempted from it, it will be a great boon to them. When they take their paddy to the market, it is purchased by big traders or brokers and they are thus deprived of the profit that they would have got had their production been purchased by big rice mill. Therefore, it would be better if such legal restrictions are removed. On the one hand, you talk of liberalisation and of removing all restrictions

from new industries but on the other, you impose such restriction on agro-based industries. It is nothing but from injustice with the farmers. Therefore the restriction regarding procurement of licence for setting up paddy shelling machines should be removed.

One of hon. friends was telling is that in Holland, the unemployed young people carry their small paddy-shelling machines on rickshaw or small carts to village for shelling to paddy of farmers on payment. We should also pay attention to the manufacture of such small machines with similar technology. Besides, we should also provide legal concessions to the farmers. Thirdly, without referring areas for big industries and imposing legal restrictions on them, you cannot promote small industries. As long as small industries do not grow, the problem of unemployment cannot be solved.

Besides there is need to make radical changes in our economic policy so as to provide employment and an opportunity for becoming prosperous to maximum number of people. With the words, I thank you very much and conclude my speech.

[English]

MR DEPUTY-SPEAKER : Now, statement by hon. Minister.

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA) : Sir, the statement is ready but it is rather lengthy. The statement is running into four-and-a-half pages...*(Interruptions)*

[Translation]

It runs into four and a half pages. I can read it if you so desire or if you permit or think it proper, I can lay it on the table of the House. Its copies have, however, been distributed to Members.

[English]

SHRI SATYA PAL JAIN (Chandigarh) : Could you please give the subject of the Statement...*(Interruptions)*

[Translation]

SHRI INDRAJIT GUPTA : Subject is the same that I mentioned in the House the other day that I am going to Bihar and in the villages of the area where this incident has taken place...

[English]

SHRI SATYA PAL JAIN : I think, it is better if he reads the Statement as it is an important issue...*(Interruptions)*

[Translation]

SHRI G.L. KANAUIA (Kheri) : It will be bad precedent if copy is laid.

SHRI INDRAJIT GUPTA : I have no objection.

[English]

SHRI SHIVANAND H. KOUJALAGI (Belgaum) : Sir, let him lay it on the Table...*(Interruptions)*

MR. DEPUTY-SPEAKER : You can lay it on the Table.

(Interruptions)

[Translation]

SHRI SATYA PAL JAIN : Sir, it is a very sensitive issue.

[English]

SHRI SONTOSH MOHAN DEV (Silchar) : Sir, we have read in the newspaper that the hon. Home Minister, had gone and visited the site. It has also been reported in the newspapers that he had also expressed his unhappiness over the activities of Bihar Police and had commented on that.

We do not know what is stated in the statement. In our House we have no chance to seek clarifications from the Minister and simply we have to listen the statement. If the Home Minister does not find time to read it today, he can do it on Monday. But it is very important for us. Many things had appeared in the Press, which may not be correct. The other day, the Minister had said : 'We do not believe newspaper reports' I agree with him. We have to listen the statement and then only we can take a decision on this.

If there is nothing against the State Government and the police, we shall forget and we shall accept it. If it is there, then we will demand a discussion on this. So, the Minister can make this statement on Monday...*(Interruptions)*

[Translation]

SHRI SATYA PAL JAIN : Sir, I agree with Shri Sontosh Mohan Dev. As the matter has already been discussed in the House earlier and the statement of the hon. Home Minister about it has already appeared in the press, the statement need not be laid on the table of the House but be read by the hon. Minister so that all may know about it.

The House has already discussed the activities of the police in Bihar. So it would be better if the statement is read by the hon. Minister or be lets us know the gist of it or whether he considers his comments on Bihar Police to be right. So, either the statement should be read or discussed in the House.

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA) : Sir, this statement has already been laid on the Table in Rajya Sabha.

MR. DEPUTY-SPEAKER : I know that.

SHRI SRIKANTA JENA : Here, the procedure, as has been said by Shri Sontosh Mohan Dev, we do not have that kind of a procedure to seek clarifications from the Minister on the statement. Therefore, the statement will be laid on the Table of the House. It is available and the Members can read it. Or else, the statement will go the Press because it has already been laid on the Table in Rajya Sabha. So, it will not be proper. Let the statement be laid here and if there is anything, we can discuss it on Monday...*(Interruptions)*

[Translation]

SHRI PRABHU DAYAL KATHERIA : Sir, as the hon. Home Minister is present in the House, he should read the statement if the House has no objection.

SHRI KALPNATH RAI (Ghosi) : Sir, it is a very serious matter and the hon. Home Minister is present here. Therefore my submission is that the hon. Home Minister should read the statement.

[English]

SHRI SRIKANTA JENA : The point is that instead of the Minister's reading the statement, if it is laid, the Members can also read the same. The same statement will be made available to the Members...*(Interruptions)* If the Members want to sit for another 20 minutes, the Minister can read it. There is no problem...*(Interruptions)*

SHRI SATYA PAL JAIN : We can sit for another 20 minutes...*(Interruptions)* We would like to have a copy of it, if it is available. Kindly give us a copy of it...*(Interruptions)*

MR. DEPUTY-SPEAKER : Are the copies available?

(Interruptions)

SHRI SRIKANTA JENA : Only after the statement is laid on the Table of the House, copies will be made available to the Members...*(Interruptions)*

[Translation]

SHRI INDRAJIT GUPTA : As per the rules, the copies of the statement will be made available to you after it is laid on the Table of the House.

SHRI KALPNATH RAI : Sir, let the hon. Minister read the statement. It is a very important issue. It would not be a right course that you lay the statement on the Table of the House in the Rajya Sabha and do not allow Members to speak on it in the Lok Sabha, which is the House of the representatives of the people.

SHRI SRIKANTA JENA : Kalpnath ji, it has been laid in the Rajya Sabha and has not been read there. Clarification are sought in the Rajya Sabha and not here.

SHRI KALPNATH RAI : By now, you would have finished reading it.

MR. DEPUTY-SPEAKER : As this statement had been laid in the Rajya Sabha, there is no need to postpone it till Monday.

[English]

SHRI SONTOSH MOHAN DEV : Sir, there are hundreds of instances like this. We are not new Members of Parliament. Let the House not be misguided. Statements on different issues were made on different dates in both the Houses of Parliament. We have no objection whatsoever. Now, the point is that we wanted to see the statement.

The Table Office did not allow us because it has not been laid... (Interruptions) Let me finish.

The second points, Shri Srikant Jena, the Minister of Parliamentary Affairs and Minister of Tourism is right. In Rajya Sabha, they have accepted to its laying on the Table. As a former Minister, I had seen it. Tomorrow, that is, on Monday, they will ask clarifications. They will not leave like that. Now I, myself, have been asked by the TV people about my comments on these remarks. I told them, 'I am sure that whatever has come in the newspaper may not be correct and unless I hear, how can I say?' So I will say, if you can wait up to eight o'clock, heavens will not fall. We can wait for another 20 minutes, let him read it.

MR. DEPUTY-SPEAKER : In view of these circumstances, you may please read the Statement.

18.11 hrs.

STATEMENT BY MINISTER

INCIDENT OF ARSON AND MASSACRE IN THE BHOJPUR DISTRICT OF BIHAR

[English]

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA) : The hon. Members will recall that 19 persons were killed in village Bathanitola, Barki-Kharaun under Sahar Police Station of Bhojpur District of Bihar on the 11th July, 1996 and I had made a *suo-motu* statement on the incident in this august House. In order to find out the ground realities, I visited the village Bathanitola on 17th July (afternoon). I also had discussions with the Chief Minister of Bihar and senior officials of the Bihar Government. Further, facts and circumstances of this incident which have been brought to light may be mentioned as follows :

As part of background to the incident the Government of Bihar has mentioned that on 29-4-96, there was an exchange of fire between CPI(ML) and the Ranbir Kisan Mahasangh (RKMS) activists in village Barki-Kharaun of Police Station Sahar, District Bhojpur. Following this incident, police had arrested Gupteshwar Singh of the Ranbir Kisan Mahasangh and Naimuddin of CPI(ML) on 30-4-96 and sent them to jail. Gupteshwar Singh and Naimuddin came out on bail on 23-5-96 and 11-6-96 respectively. Thereafter, tension mounted in the area again. There was an exchange of fire between CPI(ML) activists and RKMS activists on 8th, 9th and

10th July, 1996. RKMS activists suspected that Naimuddin was the brain behind inviting CPI(ML) armed squads to attack the RKMS supporters. One Sultan Mian (a CPI(ML) activist) was murdered by RKMS activists on 25-4-96. Naimuddin was said to have played a key role in receiving his dead body and in its burial. This reportedly infuriated the RKMS activists. Hence, RKMS activists of around 60 in number, proceeded on 11-7-96 to attack CPML activists, particularly Naimuddin in Bathani Tola.

The State Administration of Bihar has also mentioned that added to this was the desire for revenge of the killing of nine Ranbir Sena supporters on 5-5-96 at village Narni in Sahar Police Station as a sequel to the on-going series of clashes between RKMS and CPI(ML) over the past two years or so. In 1996, seven incidents of this nature had taken place resulting in the killing of and injury to a number of people. Such incidents have occurred even in 1995.

The State Government has claimed that no specific request for protection was received from the local administration or the local residents. There were no police camps at the site of the incident on 11-7-96 but there were at least three police pickets within a radius of about half to one-and-a-half kms. of the place of occurrence. Conventional firearms/country-made firearms and sharp-cutting weapons were used in this latest incident of violence. As per the version of Bihar Government, 20 accused persons, named in the First Information Report (FIR), have been arrested while six others of non-FIR category have also been arrested. One Sub Inspector, five Havaldars and 18 Constables who were posted on picket duty near the place of occurrence, have been suspended on charges of dereliction of duty.

As a further part of this action, 18 Ranvir Sena activists have reportedly been arrested on 15.7.1996 in addition to the 26 already mentioned. Raids and searches are continuing.

Three injured persons, namely Radhika Devi, Saddam Hussain and Kusuma Kumari, have been admitted in the Patna Medical College Hospital in a seriously injured state. Two other injured, namely, Shailendra Choudhary and Baby, are in Arrah Sadar Hospital. In the wake of the massacre, three licenced DBBL guns, two country made pistols and 90 rounds of ammunitions have so far been recovered. Four sets of Khaki uniforms, fake stamp of Arms Magistrate etc., have also been recovered.

The families of Naimuddin and that of his son have been treated as two units and, therefore, Rs one lakh of compensation to each has been sanctioned. The State Administration has further undertaken additional relief measures to help the distressed and the families of the deceased.

Like Ranbir Sena, two other Senas are reportedly operating in Bihar. These are the Sunlight Sena and the

Gram Suraksha Parishad. The Bihar Government has denied that 1000 people have died due to the Sena's activity. The Bihar Government has further stated that Ranbir Kisan Mahasangh or the Ranvir Sena came into being on 22.1.95 and so far 69 persons belonging to the CPIML have been killed by the RKMS activists. About the Police Posts around the area, the information furnished by the State Administration is that three police pickets were deputed around the area at the places known as Barki-Kharaun village, Patalpura village and Chhotki Kharan village. About the nature of arms with the Police in the area, it has been mentioned by the State Administration that the Police in the area have got conventional weapons.

On the role of Intelligence agencies, it has been gathered that as many as 8 intelligence reports starting from 25.5.1996 were sent to the Superintendent of Police Arrah and the reports contained apprehension of attack on Bathani Tola/Barki-Kharaun. In response, the Superintendent of Police had reportedly deployed armed forces in the area. On the norms of transferring District Magistrate/Superintendent of Police, as a result of such incidents, the State Administration has revealed that there are no set of rigid rules for transferring DM and SP in case of such incidents and that the decision for transfer is taken in individual cases depending on the circumstances. On the suggestion that the forthcoming conference of Director Generals of Police should discuss such grave issues, the Government of Bihar has agreed to this. On the issue of long-term solution to such problems of grave nature, the response of the State Administration of Bihar is that the Minimum Wages Act, Land Reforms measures and the poverty alleviation programmes are required to be implemented vigorously.

During the course of my visit the Chief Minister of Bihar and his team of senior officers asked for the additional requirement of Central Para-Military Forces for deployment in Bihar, particularly in 12 reportedly problem districts for a period of two months. They also raised the issue of modernisation of the Bihar Police to combat crime.

Stressing on the deployment of Central Para-Military Forces, the State Administration officials expressed the view that the Central Forces have better utility content and value and that the alternative suggestion of raising the strength of the local forces will be time-consuming and also will not be immediately productive.

Having regard to the detailed position, already mentioned to the hon. Members, I would like to make the following observations :-

(1) It has not been disputed by the State Administration that the failure of the District machinery was the immediate reason for the tragedy. In fact, it has been admitted by the State Administration that despite availability of intelligence input about the impending tragedy and even positioning of forces around, the massacre could not be averted either due to connivance

or lack of courage on the part of the law enforcement agencies. This certainly calls for serious introspection and deterrent action as a long-term remedy to such a situation. I do hope that the State Administration will keep us informed about the steps taken in this direction in future.

(2) It is agreed that sustained combing operations to recover illegal weapons in the mentioned twelve problem districts of Bihar is an important necessity. The request of the State Government for additional deployment of twenty companies of paramilitary forces will be examined and considered, once our commitments in some other States for the impending Assembly elections are over. Till such time, the State Government should mobilise its own resources to accord priority to the combing operations and this point has been emphasised by me during the course of my discussions with the State Government. I have also laid stress on the training and leadership requirement in the local force. Insulation of vital institutions like the law and order machinery from any external pressure will also go a long way to improve matters.

(3) The request for additional support - that means, financial support - on the modernisation of Bihar Police Force will also be looked into on the basis of objective consideration of facts.

(4) A long-term solution to this serious problem has to be found out and as admitted by the State Government, Minimum Wages Act, land reform measures and poverty alleviation programmes will be required to be implemented vigorously. For this purpose, the State apparatus has to perform the basic role and will, in fact, have to act as the prime mover. The Central Government will surely lend a helping hand. Land ceiling laws shall also have to be properly implemented in Bihar. Land should not remain in the hands of a select few as such a situation will surely generate further socio-economic tension in the State and the conflict areas will widen.

(5) Unemployment problem is also giving an alarm signal and this has to be addressed much more vigorously than has been done so far.

(6) Finally, the rural poverty issue should receive Government's special and urgent attention and the development of rural areas should now be our utmost concern, as has already been emphasised in the Common Minimum Programme of the United Front Government.

MR. DEPUTY-SPEAKER : Now the House stands adjourned to meet again at 11.00 A.M. on July 22, 1996.

18.23 hrs.

*The Lok Sabha then adjourned till Eleven of the
Clock on Monday, July 22, 1996/Asadha 31,
1918 (Saka).*