

LOK SABHA DEBATES (English Version)

Second Session
(Twelfth Lok Sabha)



(Vol. III contains Nos. 11 to 20)

LOK SABHA SECRETARIAT
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CORRIGENDA TO LOK SABHA DEBATES

(English Version)

Friday, June 12,1998/Jyaistha 22, 1920 (Saka).

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<u>Col./Line</u>	<u>For</u>	<u>Read</u>
Contents page 1/6	242,244 and 247	242-244 and 247
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68/37	SHRI GORDHANBHAI JADAVBHAI .JAVIA	SHRI GORDHANBHAI JADAVBHAI JAVIYA
92/26	SHRI K.O.KONDAIAH	SHRI K.C.KONDAIAH
92/22	SHRI BACHI SINGH RAWAT (BACHDA)	SHRI BACHI SINGH RAWAT 'BACHDA'
194/9 (from below)	DR.Y.S.RAJASEKHAR REDDY	DR.Y.S.RAJA SEKARA REDDY
205/6,7	SRI KANSHIRAM RANA	SHRI KASHIRAM RANA
235/2nd(from below)	SPEAKER:	MR.SPEAKER;
336/20	SHRI SANIK LAHIRI	SHRI SAMIK LAHIRI

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LOK SABHA DEBATES

LOK SABHA

Friday, June 12 1998/Jyaishta 22, 1920 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Joint Sampling of Coal

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*242. SHRI JAYSINHJI CHAUHAN:
SHRI P.S. GADHAVI:

Will the Minister of COAL be pleased to state:

(a) whether the Coal India Limited has changed the location of Joint Sampling of Coal from power stations to collieries;

(b) if so, the reasons therefor;

(c) whether there is a dispute between Coal India Limited and the Gujarat State Electricity Board regarding the amount claimed or pending for the period from March 15, 1991 to December 31, 1993 due to the said decision;

(d) if so, the details thereof;

(e) whether the Government have examined this long outstanding issue in consultation with both the parties;

(f) if so, the results thereof; and

(g) if not, the steps proposed to be taken by the Government to solve this long outstanding issue at the earliest?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (g) A Statement is laid on the Table of the House.

Statement

(a) and (b) Upto 1982 coal sampling was done by the coal company at the loading end. In August 1982, the then Ministry of Energy decided that on a trial basis sampling and quality checking should be undertaken jointly at the loading end. Later in December, 1986 the Ministry of Energy decided that sampling and quality checking should be undertaken by an independent organisation under Central Electricity Authority (CEA) at the loading end. As the CEA could not implement this decision, in October, 1991, the Committee of Secretaries decided that sampling and quality will be determined by the Coal Controller at the loading end. This decision was reiterated in June, 1995 by the Cabinet Committee on Infrastructure with a

modification that legally enforceable contracts are to be entered into between the supplier and consumer and sampling and quality should be determined jointly at the loading end.

(c) to (f) According to the information furnished by Coal India Limited (CIL), the long pending dispute between Gujarat Electricity Board (GEB) and CIL are mainly related to quality of Coal and interest on delayed payment. In order to resolve the dispute over-payment of coal bills, a meeting was held between Chairman, Gujarat State Electricity Board and Chairman-cum-Managing Director, South Eastern Coalfields Limited on 20.11.95 in which the principles for settlement of claims of coal company and power houses were finalised. The Coal company applied this formula in settling claims of GEB which has not been accepted by GEB.

Accordingly GEB has been advised to depute a team of senior officers to coal companies to sort out the claims of coal companies and the counter claims of GEB.

(g) An umpire has been appointed by the Government to resolve the dispute between CIL and GEB. The Umpire has since given his awards. Coal India Ltd. is quantifying the dues of coal companies on the basis of principles set out by the Umpire in his award.

[Translation]

SHRI JAYSINHJI CHAUHAN : Mr. Speaker, Sir, through you, I would like to know and tell the Hon'ble Minister that while replying he had paid attention to only those Questions which have been asked. My first Question is that after 1993, what was the need for changing the place of joint sampling by Coal India Limited? Prior to this sampling was done under the jurisdiction of Gujarat Electricity Board then what is the justification of changing this place?

[English]

SHRI DILIP RAY : Sir, this question has been coming up in both the Houses of Parliament, time and again. I have found that this is mainly being asked by hon. Members from Gujarat. Sir, I will take a little time to explain the situation.

This joint sampling is done by the coal companies and then they give coal to the power plants. The joint sampling is done to confirm the expected grade quality and quantity of coal that is being supplied to the power plants. The coal companies can and should supply the right grade of coal to them. But the problem is that after loading, by the Railways, till it is delivered to the consumer, i.e. power

plants, lot of pilferage and thefts also take place in carriage, which is not our problem. But we, tried to cover it through insurance cover, etc. but it was not agreed to by them.

But I must mention that as far as CLO Goods Act 1930 is concerned, the coal company's responsibility ceases as soon as it loads it into the wagon. This has been upheld by the Punjab and Uttar Pradesh High Courts.

This sampling is done in a prescribed way as per the ISI specifications.

Now, I come to the question of joint sampling being shifted from unloading end to the loading end, which the hon. Member has asked. This will be a little chronological statement. Historically, this joint sampling was done at the loading end. But in 1982, when the Ministry of Coal and Power was under the Ministry of Energy. It was decided that on a trial basis, for the first time, joint sampling should be done at the unloading end. In 1986, it was decided that the joint sampling would be taken at the power house end, i.e. loading end and that the Central Electricity Authority would be monitoring this. But they did not take any action in this regard. So, we made our own arrangements as the power units were not very happy about it.

Again, in 1991 the Committee of Secretaries, including Coal and Power Secretaries, took meetings where it was decided that it should be taken up at the power house end. In 1995, there was a Cabinet decision that it should be done at the power house end and CEA was supposed to inspect it. In 1996, it was decided that it should be done at the power house end.

The hon. Member would be happy to know that we have now taken a decision that the joint sampling would be done at the power house end, at the loading and unloading ends.

Eighteen agencies have been identified. The cost at the power house end would be borne by the Coal Ministry and the cost at the unloading end would be borne by the consumer.

[Translation]

SHRI JAYSINHJI CHAUHAN : Whether Coal India Limited had sought the permission of the Chairman of Gujarat Electricity Board and their Ministry for changing the site and whether Cabinet Committee had also given its permission because after 1993, the payment of pending dues to Gujarat Electricity Board has not been made by Coal India Limited. As per my information, the pending amount till date is Rs.925 crores due to which State Electricity Board has to suffer financial losses. I would like to know as to what concrete steps have been taken or proposed to be taken by the government in this direction.

[English]

SHRI DILIP RAY : Sir, we do not need to take any permission from the State Government or the Chairman of the State Electricity Board. But we have informed both the Chief Minister of the State and the consumer.

Regarding the dispute amount of Rs.923 crore, which the hon. Member has pointed out, I would say that it is not correct. Till 1993, the total claim made was Rs.107.65 crore. Out of that, the settled claim was Rs.87.86 crore. The pending claim is about Rs. 1 lakh. The claim rejected by the Coal India was Rs.19.78 crore.

SHRI P.S. GADHAVI : Sir, the hon. Minister has said that it is not correct to say that the dispute amount is Rs.924.74 crore. I would like to invite the attention of the hon. Minister to the statement sent to them by the Gujarat State Electricity Board, wherein it was stated that up to 1997-98, the total claim was about Rs. 924.74 crore. Is it true? When the claim is this much amount, I would like to know from the hon. Minister whether he would take steps to resolve this long-pending dispute. This dispute can be resolved. The Gujarat State Electricity Board is facing very critical financial crisis. All these dues are there. I would like to know whether the hon. Minister would take any steps to resolve this long-pending dispute as early as possible.

MR. SPEAKER : It is a good question.

SHRI DILIP RAY : The total claim made till date is about Rs. 763.73 crore. Then, we have settled about Rs. 130.21 crore. The pending claim is about Rs. 29.5 crore. We have rejected the claim of Rs. 271.33 crore. We are holding a meeting on the 22nd June to sort out this problem.

[Translation]

SHRI LAKSHMAN SINGH : Mr. Speaker, Sir, the Hon'ble Minister in his reply has informed that this decision was taken by Committee of Secretaries in October, 1991. I would like to know from Hon'ble Minister that it is not proper that these type of important decisions, though this decision was taken during the tenure of our government, are taken by two officers as to where the quality of coal will be checked. I would like to ask that in the matter of this type of important decision, whether it is related to Gujarat or any other state, are you planning to take this to Cabinet or before the Standing Committee or Consultative Committee of Parliament or you are considering to make a policy only after obtaining the opinion of representatives of the people?

[English]

SHRI DILIP RAY : Sir, let me say that this has been sorted out. Now, we will not be having only at the loading end. By September, the joint sampling would take place both at the loading end and at the unloading end.

[Translation]

SHRI LAKSHMAN SINGH : Even now, you are leaving the right of taking such decision on Secretaries, and whether in that representatives of people will not be involved? It is not appropriate that such an important decision is taken by a secretary.

SHRI DILIP RAY : We shall ask the Consultative Committee.

SHRI MOTILAL VORA : Hon'ble Speaker, Sir, I would like to ask the Hon'ble Minister that this dispute pertains to a period between 15.3.1991 to 31.12.1993 and this continued for 2 years. The government had constituted a Committee of Secretaries. How many sittings of the said Committee took place till now? The dispute is between Gujarat Electricity Board and Coal India Limited regarding quality of coal and the interest on pending amount. The matter was very that the quality of coal of Coal India Limited was not good and the interest was also included in payment which has to be made. My question is simple that the dispute which continued from 1991 to 1993, whether you will make any special effort to settle that dispute in 1998 itself. Just now you have said that the claim is about Rs. 785 crores and as against that an amount of Rs. 100 crores was paid. Whether any decision will be taken with regard to the remaining amount till the end of this month?

[English]

SHRI DILIP RAY : Sir, as I already mentioned, out of Rs. 763.73 crore, we have got to sort out only Rs. 29.05 crore. For this, we have fixed up a meeting on the 21st.

As far as interest is concerned, it has already been adjusted. We agree that there is a great slippage and for that Rs. 134.21 crore have already been adjusted.

[Translation]

DR. C.P. THAKUR : The quality of coal is the first requirement of power plants. Instead of first class coal you have supplied third class coal as a result of which functioning of many power plants were affected and they closed down. Whether government will get the sampling done at 3 sites - one at the time of loading, second at the time of unloading and third when coal is sent in power plants. Whether government will appoint an Independent Body for testing quality of coal, as it is done in the case of Drugs so that it can check the sample and payment is made accordingly by the power plant.

[English]

SHRI DILIP RAY : It is not possible to do it at three places. But we have already decided to do it at two places and independent bodies are also being engaged for doing the sampling work.

TAXES ON ALLOWANCES

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*243. **SHRI SATNAM SINGH KAINTH**:

SHRIMATI BHAVNA DEVRAJBHAI CHIKHALIA:

Will the Minister of FINANCE be pleased to state:

(a) whether all the allowances such as DA/CCA/H.R.A. etc. being paid to Government employees/officers are taxable;

(b) whether the Government are aware that allowances are being paid subject to increase in price rise and to compensate the Government employees for House Rent Allowance, etc.;

(c) if so, the reasons for which the tax is being charged from the employees thereon;

(d) whether the Government are aware of the resentment amongst Government employees on this account; and

(e) the remedial steps being taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE): (SHRI KADAMBUR M.R. JANARATHANAN) : (a) to (e) A Statement is laid on the Table of the House.

Statement

(a) No, Sir, all the allowances being paid to Government employees/officers are not taxable.

DA and CCA are taxable allowances.

House Rent Allowance is taxable subject to the conditions specified under section 10(13A) read with rule 2A of the Income Tax Rules, 1962.

Under Section 10(14), a number of special allowances which are incurred in relation to specific official duties, have been prescribed/notified, which are not taxable. These include Transport Allowances, Hill Compensatory Allowance, Border Area Allowance, Disturbed Area Allowance etc.

(b) Yes, Sir.

(c) Tax is being charged from the employees only on those allowances which are taxable under the statute and form part of the "salary".

Since DA, CCA and HRA are given as part of the salary, same are taxable in the hands of the employees.

(d) and (e) The Government has received suggestions from the cross-section of the society including the employees.

The Govt. has proposed several remedial steps in the Union Budget 1998 to reduce the Tax burden of taxpayers including Govt. employees. These include:-

- (i) The threshold limit of income liable to tax has been proposed to be increased from Rs. 40,000 to Rs. 50,000.
- (ii) To mitigate hardship of employees receiving salary upto Rs. 1 lac, the limit of Standard deduction has been raised from Rs. 20,000 to Rs. 25,000.
- (iii) After revision of the salaries of Central Government employees, the transport allowance paid to officials is also exempt under section 10(14) of the Income-tax Act subject to a ceiling of Rs. 800/- p.m. as per notification issued under section 10(14)(ii) read with Rule 2BB, S.O.No. 395E dated 13.5.98.

[Translation]

SHRI SATNAM SINGH KAINTH : Mr. Speaker, Sir, Hon'ble Finance Minister has said that D.A. and C.C.A. are taxable allowances. With the increase in prices government releases D.A. and if there is no increase in the prices, government will not give any D.A. I do not know why D.A. is taxable because D.A. is given to compensate the increased cost. Through you, I would like to ask the Hon'ble Finance Minister that whether government will review all these decisions and exempt D.A. and C.C.A. from tax?

[English]

SHRI KADAMBUR M.R. JANARTHANAN : Sir, there is no proposal before the Government to exempt them because Dearness Allowance, City Compensatory Allowance and House Rent Allowance are taxable subject to the conditions specified under section 10(13A) read with rule 2A of the Income Tax Rules, 1962. Anyhow, the special allowances have been exempted from the taxes under rule 10(14).

Further, I want to tell the hon. Member that Dearness Allowance, House Rent Allowance and City Compensatory Allowance are in the nature of allowances towards personal expenses. The scheme of income-tax does not provide for reduction of any expenditure personal in nature.

Further, it was a long pending issue of the salaried class to raise the income-tax slab. Therefore, this Government has increased it to Rs. 50,000/-. Now, twenty

lakh people are out of the income-tax net. Thus, the Government is providing all the help possible to the salaried class. Therefore, there is no proposal to exempt the Dearness Allowance, House Rent Allowance and City Compensatory Allowance from the purview of the income-tax.

[Translation]

SHRI SATNAM SINGH KAINTH : Hon'ble Minister has said that government has no such proposal under consideration. In part 'c' of written reply, Hon'ble Minister has admitted that D.A. and C.C.A. are part of Employee salary. If government considers it as part of salary then why it increase only D.A. When there is price rise. Why basic salary is not increased?

[English]

SHRI KADAMBUR M.R. JANARTHANAN : Sir, the Government is, of course, helping the salaried class people by increasing the Dearness Allowance as per the Price Index. But once again I may tell the hon. Member that Dearness Allowance and House Rent Allowance are in the nature of payments towards personal expenses. Therefore, they come under the taxable category.

[Translation]

SHRIMATI BHAVNA DEVRAJBHAI CHIKHALIA : Mr. Speaker, Sir, government employees and officers are getting all allowances like Dearness Allowance, City Compensatory Allowance and House Rent Allowance. They get D.A. when there is price rise. Last month the Government has taken a very good step by exempting tax on Transport Allowance. Whether government are considering to exempt tax on Dearness Allowance also?

[English]

SHRI KADAMBUR M.R. JANARTHANAN : Sir, I have already answered that in order to mitigate the hardship to employees getting salary up to Rs. 1 lakh, the limit of Standard Deduction has been raised from Rs. 20,000 to Rs. 25,000. Therefore, there is no proposal to exempt DA, CCA and HRA. Even though Dearness Allowance is related to the Price Index, it is in the nature of payment towards personal expenses. Therefore this comes under the taxable category.

PROF. A.K. PREMAJAM : Sir, as per the answer given by the Minister, since DA, CCA and HRA are given as part of salary, the same are taxable in the hands of the employees. But since DA is varying as per the Price Index, I want to know whether the Government will consider an amendment to exclude DA from the term 'salary'.

SHRI KADAMBUR M.R. JANARTHANAN : Sir, there is no such proposal before the Government.

[Translation]

SHRI SATYA PAL JAIN : Mr. Speaker, Sir, the Hon'ble Minister in his reply has said that Dearness Allowance, City Compensatory Allowance and House Rent Allowance are given as part of salary and therefore they are taxable. Recently, the income-tax limit which you have increased from Rs. 40,000 to Rs. 50,000, has provided relief to some employees. It is also a fact that only Employee class is one such class which is paying its tax correctly and does not conceal anything. In your reply, you have also said that no such proposal was under consideration of government and therefore it has not considered that it should be exempted from tax. I would like to know from the government that considering the price rise in future and the problems of employees, whether it would like to examine that D.A., C.C.A. and H.R.A. should be exempted from income tax? This will not affect government because not much amount is recovered in such manner. Therefore, in future whether government will consider to make these allowances tax-free so that employees could get relief.

[English]

SHRI KADAMBUR M.R. JANARTHANAN : Sir, I quite agree with the feelings of the hon. Member. But, at the same time, I want to reiterate that the income-tax exemption limit itself has been raised from Rs. 40,000 to Rs. 50,000 when this Government is passing through a difficult period. This Government came to power when there was a recession in industry and when the whole economy was zero. But still we have increased the exemption limit from Rs. 40,000 to Rs. 50,000. Therefore, it may be a good suggestion but the Government cannot give an assurance at this stage. However, the salaried class people's tears have been wiped out by this Government. If the hon. Members see the statistics, out of nearly 39 lakh employees of the Central Government, only two lakh employees are coming under the category of taxpayers and the remaining 37 lakh are outside that category. Therefore, it may be a good suggestion but the Government cannot commit and give an assurance at this stage.

PROF. P.J. KURIEN : Mr. Speaker, Sir, I would submit that these questions are raised by the hon. Members to convey to the Government the feelings of the Members also. As you know, the inflation is going up and the cost of living is also going up. You are very well aware that the salaried class are the only people who pay income tax correctly, because they cannot do anything otherwise. This request for exempting DA, HRA and CCA from income tax is a genuine request from all the Members of this House. The whole House is unanimous on this point.

So, keeping in view the sense of the House, in view of the fact that it is a question of small amount only and also the fact that the salaried people are paying income

tax correctly, will the Government consider the proposal of exempting HRA, CCA and other allowances from income tax?

SHRI KADAMBUR M.R. JANARTHANAN : Sir, the veteran Member Prof. Kurien has spelt out the feelings of the House correctly. I do not deny that. But in the present financial position and also considering the legal position so far adopted, we have raised the threshold limit of income liable to tax from Rs. 40,000/- to Rs. 50,000/-, in the Budget. By this measure, out of 39 lakhs of Central Government employees nearly 37 lakhs of the employees are getting benefited. I am also one of the Members of this House and I also share his feeling.

PROF. P.J. KURIEN : Sir, I know that the hon. Minister also would personally agree with what I said.

SHRI KADAMBUR M.R. JANARTHANAN : Sir, personally I may agree with the hon. Members, but as a Minister, I cannot give a commitment to the House and I am sorry for that.

SHRI V.V. RAGHAVAN : Mr. Speaker, Sir, sometime ago, there was a declaration by the Union Government that those veteran freedom fighters who get Central Government pension may also get the benefit of Dearness Allowance. So, I would like to know from the hon. Minister what steps are being taken to fulfill this promise that was given to our veteran freedom fighters.

SHRI KADAMBUR M.R. JANARTHANAN : Sir, I want to appeal to the hon. Member not to compare the *fyagis* who have shed blood for this country with the salaried people. However, I do share the concern of the hon. Member. But this question does not arise out of the main question.

SHRI LALU PRASAD : Mr. Speaker, Sir, as per the decision of the Supreme Court, even the Members of Parliament and the MLAs are public servants. The pension that the Ex-MPs get is a very meagre amount. But the officers and the employees of the Government are getting a handsome amount after retirement. We are always agitating in their favour. The politicians are getting nothing. Suppose I am not a Member of Parliament and I come to Delhi, nobody will offer even a cup of tea to me. I would like to know from the hon. Minister as to what the Government is going to do in this regard.

SHRI KADAMBUR M.R. JANARTHANAN : Sir, we come and go. We get defeated also in the elections. Therefore, we do not have any allowance.

[Translation]

SHRI CHETAN CHAUHAN : Mr. Speaker, Sir, the retirement benefits and terminal benefits given to government officers and employees at the time of

retirement are calculated on the basis of basic salary and D.A. I mean to say that in calculation of terminal benefits and retirement benefits only basic salary and DA is considered while at the time of calculating income tax we are saying that-

[English]

Since D.A., C.C.A. and HRA are given as part of the salary, same are taxable in the hands of the employees.

[Translation]

Therefore, through you I would like to tell the hon. Minister that gratuity is calculated on basic salary and DA only in the same way tax should not be calculated on CCA and HRA. Will the Government propose to do so? Sir, It is an important question.

[English]

SHRI KADAMBUR M.R. JANARTHANAN : Sir, he is asking about the retired officers' pension. But this question is not connected with this.

SHRI CHETAN CHAUHAN : Sir, I am talking about the tax. The benefits are given only on the basic salary. That is the definition of salary.

✓ MR. SPEAKER : He is giving the reply.

[Translation]

SHRI YASHWANT SINHA : Mr. Speaker, Sir, in the context of the question raised by the hon. Member I would like to say something. The Minister of State has given information in this House that allowances are considered in the category of personal expenses and thus considered as part of the salary for the purpose of income tax. The question raised by the hon. Members is that only DA is added in basic salary for calculation of gratuity and not other allowances. The reason is that these allowances are given as personal expenses. After retirement the person is ceased to be a government officer and thus city compensatory-Allowance is not added. Income tax laws and other laws have different viewpoint and objectives which are taken into account. This is the position with regard to income tax.

SHRI RAJO SINGH : Mr. Speaker, Sir, there are two categories of government employees in our country - the state government employees and Central government employees. Till date, the recovery of income tax is being done at both the sources. I would like to know from the hon. Minister how much amount has been given to state governments as their income out of the total tax collected by the government?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, though this question is not directly connected to the original

question but I would like to reply to it. Perhaps you may be aware that the money collected under Income Tax Divisible Pool is divided between the centre and the state governments. 77.5 percent of the total funds is given to the state governments. Therefore, the funds collected from income tax does not remain with the central government only but its major share, about 2/3rd part is given to states.

[English]

Patent of Flora and Fauna

*244. SHRI K. YERRANNAIDU : Will the Minister of INDUSTRY be pleased to state the steps proposed to codify and patent the flora and fauna of the country and all traditional forms of knowledge as embodied in Ayurveda and Unani to avoid Basmati type controversies?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : A Statement is laid on the Table of the House.

Statement

The Botanical Survey of India and Geological Survey of India are responsible for survey and inventorisation of the plants and animal species of the country. According to the information available, approximately 70% of the geographical area of the country has been surveyed so far by these organizations. Based on these surveys over 46,000 species of plants and 81,000 species of animals have been recorded.

The work of compilation of literary information in respect of flora and fauna pertaining to Indian System of Medicines has been assigned to Central Council for Research in Ayurveda and Siddha and the Central Council for Research in Unani Medicines. As most of this information exists in the public domain, including the classical texts, nowhere in the world can patents be granted for such products. In order to be patentable, the subject of invention has to satisfy the conditions of patentability, namely, novelty, non-obviousness and industrial applicability.

Patents are granted by respective governments under their patent laws. Whenever information is received about patents being taken on certain products which are not considered patentable, steps are taken to assess whether grant of patent can be challenged. When sufficient material is gathered, steps are taken for filing a petition for re-examination and ultimate revocation of the patent in that country.

SHRI K. YERRANNAIDU : Sir, this is the most important question regarding patent laws. We have faced problems in the past when U.S.A. patented our *neem* and turmeric. The CSIR had to fight it out in the Court and

ultimately we won the case. Again, U.S.A. patented the basmati rice. We had discussed this case in the House also. Now, we are fighting it in the international forum. In India, we have 46,000 plants and 81,000 animal species. The Western countries are attracted to Indian alternative medicines. So, I would like to know what precautionary steps are being taken to patent all our Ayurvedic plants and to ensure that our plants are not smuggled out of India.

SHRI SIKANDER BAKHT : According to the patent law as we have in the country, the Ayurvedic drugs, etc. and things connected with plants are not patentable in our country.

SHRI K. YERRANNAIDU : Mr. Speaker, Sir, but once they patent them then we try to fight them in the court.

The second question is : What steps are being taken to further amend the Indian Patent Act, 1970 so as to include all our plants and animal species in the Patent Act to avoid further problems ? Otherwise, we will have to face them every time in the International forum after they patent a particular plant.

SHRI SIKANDER BAKHT : In other countries, the patents are granted according to the law of that particular country itself. We have been fighting cases about turmeric, and we are also preparing to challenge for reexamination the attempt of patent which has been done in the case of Basmati rice.

SHRIMATI GEETA MUKHERJEE : In the reply, the hon. Minister said that so many things have been found and nowhere in the world can patents be granted for such products. My friend, Shri Yerrannaaidu has rightly pointed out the case of *neem*. The Ministers that "In order to be patentable, the subject of invention has to satisfy the conditions of patentability, namely, novelty, non-obviousness and industrial applicability." As far as this is concerned, amongst so many species, how do you know that there is not even a few species which can come under this industrial applicability? Have you even examined it? If not, please do examine it. If you think that any change is to be done, then that also should be done in the patent law so that we can protect all these very important medicinal plants.

SHRI SIKANDER BAKHT : Primarily, flora and fauna come under the public domain which is governed by the existing information, including the classical texts, that we have in our country. Some countries do make an attempt on it, but we have been contesting successfully any overtures like this. As I said just now, about turmeric, we went and challenged the grant of a patent in the U.S.A. We had to file a challenge for reexamination in that

country itself and we succeeded. We have constituted a very high-level committee which is looking into the question of whether we can improve or amend our patent law, in case there are some lacunae in our present law, so that we can cover the flora and fauna and the species too.

SHRIMATI GEETA MUKHERJEE : When will they complete this exercise?

SHRI SIKANDER BAKHT : It is a long exercise.

SHRI PRITHVIRAJ D. CHAVAN : The reply given to this question, which is a very important question, asked by a former Minister is highly unsatisfactory. The question is very simple. The questioner wants to know as to what steps this Government is taking to patent the flora and fauna. The answer expected was whether you are going to amend the patent law to include flora and fauna or not. That was the gist of the question. You have only given a catalogue of what is going to happen. The Minister knows it very well that under the WTO, India is required to change its patent law. We went in appeal in the Disputes Settlement Mechanism and we have lost the appeal. The Government of India has been given a period of 15 months from January 1998 to amend their patent law.

Now, the basic question is whether this Government is going to amend the patent law. What are you going to do about plant variety protection? What are you going to do about bio-diversity Bill and Geographical Appellation Bill? The question has got a connection with all these things. The Minister has not told anything about that. I specifically want to know whether this Government is going to amend the patent law to include life forms and micro organisms as mandated or *per se* mandated, I do not know how you interpret it, by the WTO under the Disputes Settlement Mechanism case which we have lost in Geneva. So, what is the position? Please tell us whether you are going to amend the patent law or not.

MR. SPEAKER : It is a good question.

SHRI SIKANDER BAKHT : India has signed the agreement establishing the World Trade Organization. The WTO agreement, *inter alia*, contains an agreement on trade-related aspects and intellectual properties. India is required to align its law and practices on IPRs in accordance with its obligations in the TRIPS Agreement. However, it has time till January 2,000 to make the changes, and further time till January 2005 to introduce product patent protection in areas of technology not protected so far - mainly in the areas of pharmaceuticals and in the areas of agro-chemicals.

SHRI PRITHVIRAJ D. CHAVAN : What are you going to do as a result of the case that we lost in Geneva about which the 15 months time is going to end in April next?

SHRI SIKANDER BAKHT : The date that I have given is right. I have again stated that on our own, we are trying to see what amendments can be brought on our patents. For that purpose, a very high level committee of scientists has been constituted to look into the question ...*(Interruptions)*

SHRI PRITHVIRAJ D. CHAVAN : We have the time-limit up to next month.

[Translation]

DR. BIZAY SONKAR SHASTRI : Mr. Speaker, Sir, the issue of patents has been debated throughout the country. Here in this House also this issue is being debated on the basis of supplementary questions but the situation is quite serious and we should think over it as a separate subject. We are debating the issue of patenting flora and fauna which are pertaining to Indian system of medicine-Ayurveda. There are several such flora and fauna and know-how in Ayurveda and we should also pay attention towards it. It is a part of Ayurveda and thus is a serious matter. There are a total of 1153 branches of Vedas including four main branches. All these branches are full of knowledge and know-how. ...*(Interruptions)*

Sir, my point is that our problem relating to patents can be solved permanently if we get the Vedas patented which are full of knowledge and know-how. I want to know whether the Government propose to proceed in this direction, if not, what are the reasons therefor?

SHRI SIKANDER BAKHT : The government is considering all the aspects of this problem. The government can work only as per the present laws of the land. Efforts are being made for making amendments in the laws. A committee has been set up for this purpose.

[English]

SHRI AJIT KUMAR PANJA : The answer shows that there is some misunderstanding in the Department itself regarding patentability of flora and fauna. There are two parts to it. One is, patentability of flora and fauna and the other is about medicines. Our good doctors like Sushruta, some thousand years ago, found out various types of Ayurvedic and Unani medicines which are indigenously Indian. That is why, the two parts are separated by the hon. Minister. I understand that this is not correct. No where in the world patents can be granted for such products. Generally, there may be difficulty about flora and fauna.

I would like to know whether the Department is going to enlist the medicines taken out by our great Ayurvedic doctors starting from Sushruta and make a caveat to all the developed countries who are having an eye over our country, because of the various difficulties and side effects being faced in the Allopathic system of medicine. That is

the reason why the United States wanted to patent the turmeric. Kindly list out all the medicines coming out of this product and have a caveat in the International Court and other places. Why I say so is because I have seen that India fought and won the case. Why should it be defensive? After the patent is granted, we go there. The Minister says that we have to go through the process of re-examination and ultimately revocation. No, we can make a caveat. By caveat, the court is bound to inform India that as this application has been made, what have you got to say? Kindly do that. These are the two points I want to make.

~~One more point is ...*(Interruptions)*~~

✓ MR. SPEAKER : Only one supplementary is allowed

SHRI AJIT KUMAR PANJA : I want to say that 70 per cent of flora and fauna has been identified and 30 per cent is remaining. Only 46,000 species have been identified in our country. There are lakhs and lakhs of species. My suggestion is to enlist those also immediately otherwise, these developed countries will jump on it and take it away in view of globalisation policy.

SHRI SIKANDER BAKHT : Sir, the activity of survey as well as codification of all these things that the hon. Member has mentioned, is a continuous process. It is going on. There are organisations like the Botanical Survey of India and Geological Survey of India which have undertaken the process of survey of all these entire things. As the hon. Member has rightly said, they have already surveyed about 70 per cent of the geographical areas of the country. 46,000 species of plants and 81,000 species of animals have already been recorded.

Similarly, there are two organisations, the Central Council for Research in Aurveda and Siddha and Central Council for Research in Unani Medicines, who are preparing their own lists of information which exist with us.

But unfortunately, patents in other countries are granted according to the law of those countries. Now, there is no synchronisation between the law of our country and that of other countries which have their own patent laws. Therefore, the difficulty arises. But our challenging has proved to be successful. For the re-examination, we have succeeded and those are the grounds, on the basis of which, we can defend our own rights.

SHRI AJIT KUMAR PANJA : Why do you not file caveat now? ...*(Interruptions)*

MR. SPEAKER : Prof. Kurien, please take your seat. It is Question Hour. It is not the Zero Hour.

PROF. P.J. KURIEN : Sir, it is a question of caveat. That is what I am saying ...*(Interruptions)*

SHRI SIKANDER BAKHT : Sir, I do not have anything to say about caveat.

SHRI BALRAM JAKHAR : I would like to ask the hon. Minister some very important points. What has happened to the earlier report which was prepared and a Committee which we have formed? What about the *Sui generis* law which we are trying to create? It was our own thing. What has happened to that? Why did we not do that? It is going to affect so many areas? It is going to affect our agriculture. It is going to affect our seed generation and seed producers. Everything depends upon that. We should be very worried about it because we did it with the cotton and we got it.

What has happened to Basmati? So, we must be worried and we must be active enough to foresee all these things which are going to face us. This is something which you are trying to usurp from us just like Basmati and Turmeric. Naturally, we must be very careful about it. Otherwise, either you will go to US Convention or the other world. So, you have to decide differently. You have to take decisive action without any delay on all these things.

SHRI SIKANDER BAKHT : Sir, we have already adopted the *sui generis* route. I will give you the information.

SHRI BALRAM JAKHAR : You can take time and give this information later on.

SHRI SIKANDER BAKHT : Just now, I will give you the required information.

The *sui generis* legislation on plants is handled by the Ministry of Agriculture. But it does not matter. We have already undertaken the *sui generis* route with regard to our problems in this regard.

SHRI RUPCHAND PAL : There is a lot of confusion about the Basmati, Neem and Turmeric. Actually, there are different problems. I would like to tell to the hon. Minister that a lot of valuable work has already been done by our eminent scientists like Dr. Asima Chatterjee and that valuable work is still continuing in several laboratories of India about the medicinal properties of a good number of plants and herbs. But these scientists do not have the financial capability to patent them on the global area. What is happening Now? These eminent scientists, who have invented all these things, are being approached by certain middlemen, who are working on behalf of multinational companies, to sell their knowledge. So, may I know from the Government whether they are ready to set up some specific fund for these scientists who have already reached some conclusive evidence about the medicinal properties of the plants and herbs of India.

SHRI SIKANDER BAKHT : The suggestion has been noted. That is all I can say about this. It is true that

we are doing everything to ensure and protect our own species.

✓ MR. SPEAKER : Question No.245, Shri Ravindra Kumar Pandey.

(Interruptions)

✓ MR. SPEAKER : I have already called upon Shri Ravindra Kumar Pandey to put Question No.245.

(Interruptions)

SHRI PRITHVIRAJ D. CHAVAN : In reply to Question No.248 the Commerce Minister has given a totally different answer. He says:

"India has agreed to discharge its transitional obligations under Articles 70.8 and 70.9 of the TRIPS Agreement by 19th April, 1999".

Two Ministers are giving two different answers. They have not come prepared. ... (Interruptions) He has misled the House.

✓ MR. SPEAKER : Please take your seat. I will ask the Minister. Would the Minister like to respond?

(Interruptions)

✓ MR. SPEAKER : Question No. 246, Shri P. Upendra.

(Interruptions)

✓ MR. SPEAKER : Dr. Sonkar Shastri, please take your seat.

(Interruptions)

✓ MR. SPEAKER : Question No. 247, Shrimati Jayanti Patnaik.

[Translation]

SHRI CHANDRASHEKHAR SAHU : Mr. Speaker, Sir, I seek your protection in this matter. In this House I have presented a bill on Patent law ... (Interruptions) Please allow a half an hour discussion on it ... (Interruptions)

[English]

✓ MR. SPEAKER : Question No. 247, Shri K.L. Sharma.

Impact of Nuclear Test on Trade Relations

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*247. SHRI KRISHAN LAL SHARMA:
SHRIMATI JAYANTI PATNAIK:

Will the Minister of COMMERCE be pleased to state:

(a) whether the sanctions imposed on India by some countries following the nuclear test has adversely affected the trade relation of India with developed countries;

- (b) if so, the reaction of the Government thereto;
- (c) whether the Government propose to send Special emissary to developed countries to deal with the situation;
- (d) if so, the details thereof; and
- (e) other steps taken by the Government to overcome the crists?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (e) A statement is laid on the table of the House.

Statement

(a) While specific trade sanctions have not been imposed, some trades related implications arise from the sanctions imposed by the USA under Section 102 of the US Arms Export Control Act, otherwise known as the Glenn Amendment. These inter alia include :

- i) termination of sales of defense articles, defense services, or design and construction services under the Arms Export Control Act, and termination of licenses for the export of any item on the United States munitions list;
- ii) denial of any credit, credit guarantees, or other financial assistance by any department, agency or instrumentality of the United States government;
- iii) prohibiting the Export-Import Bank from giving approval to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to India; and
- iv) prohibiting the export to India of specific goods and technology subject to export licensing by the Commerce Department.

(b) Government is of the view that trade sanctions specifically against India would be contrary to the Most Favoured Nation principle under the General Agreement on Tariffs and Trade.

(c) to (e) Government is taking necessary initiatives on its part to deal with the situation, including maintaining an alert watch on the further developments. The impact on trade of sanctions is being monitored and assessed.

[Translation]

SHRI KRISHAN LAL SHARMA : Mr. Speaker, Sir, through you I would like to know from the hon. Minister as to which areas are the most affected by the trade sanctions imposed against our country? What has been

stated here about the steps taken to meet out the adverse impact of sanctions do not reveal the actual position. These sanctions have scared people, rupee is being devalued continuously. An atmospheric disturbance has been noticed throughout the country which has also affected industry. I would like to know from the hon. Minister as to what plans have been formulated for removing this fear and creating confidence among people?

SHRI RAMKRISHNA HEGDE : Mr. Speaker, Sir, the atmosphere mentioned by hon. Member may continue for sometimes but I would like to tell that there is no need to be scared as it is just a threatening from the U.S. and no action has been taken on it. These sanctions are not trade sanctions but sanctions on export of arms components. We have taken several steps to boost exports. You might have read in the newspapers that Reserve Bank of India has also taken some steps in this regard. Perhaps hon. Minister of Finance will say something about these steps in his statement today. So, there is no need to be scared of about it.

SHRI KRISHAN LAL SHARMA : Mr. Speaker, Sir, after imposition of these sanctions, it has been heard that in view of the 'most favoured nations' these are being categorised. You have stated that suitable atmosphere could not be created about these sanctions, it is not correct. No decision was taken as to when and what specific sanctions will be imposed. Though these sanctions were not clarified even then these affected the people. People are scared. I would like to know whether the Government has made any efforts to avoid adverse impact of these sanctions in this country and outside. If so, details thereof?

SHRI RAMKRISHNA HEGDE : Mr. Speaker, Sir, I have told about one or two steps taken in this regard. Hon. Minister of Finance will tell about other measures being taken in this regard. Sharmaji might have read in the morning newspapers about the statement of U.S. Secretary of States that:

[English]

Albright fears reverse fall-out, seeks flexibility in sanctions'.

[Translation]

It is a proof that America is not serious about the threatening of imposing sanctions.

[English]

SHRI SUSHIL KUMAR SHINDE : That statement relates to Clinton's visit to China. (Interruptions) In that context, she was talking about relaxation of sanctions.

(Interruptions) A specific question has been raised and we are worried. May I tell the hon. Minister, that this statement is about sanctions on China and not India.

SHRI RAMKRISHNA HEGDE : May I tell the hon. Member that India is no less important, even from the point of America, than China. India is going to be the biggest market and America cannot afford to neglect or ignore this fact. Therefore, I can assure hon. Members that some steps have already been taken with regard to protecting the value of the rupee and with regard to keeping our target of exports. A few more steps will be spelt out by my hon. colleague, the Minister of Finance.

SHRI SHIVRAJ V. PATIL : The Government has been telling us that we should not be afraid of the sanctions. I think the Government is right when they say that. But it is not correct if the Government do not tell us as to what kind of steps the Government is going to take to see that the sanctions do not affect us badly. They have been saying that the America will not impose sanctions because it is going to affect the America and not India. I think this assumption is not correct. There are many areas in which sanctions can have an adverse effect on us. In the area of technology transfer it would be very adverse. In some trades also, it would be very adverse. There are financial institutions which will not readily give us the credit we need. The funds may not be readily available to us. So, these are some of the areas where we have to be careful.

The country while applauding what has been done would certainly like to know what steps the Government is going to take to see that there is no adverse effect on the economy if sanctions are imposed. We are not satisfied with the reply that sanctions would not be imposed. The Government should say what plans or what steps have been thought about if sanctions are imposed. We would like to know what steps the Government would take to see that there are no adverse effects.

SHRI RAMKRISHNA HEGDE : I do not understand when no sanctions are effected, how can we say that we are adversely affected? No sanctions have been imposed except in regard to certain defence articles.

SHRI SHIVRAJ V. PATIL (Latur) : What about technology transfer?

SHRI RAMKRISHNA HEGDE : So far as technology transfer is concerned, it is true that they may not agree to supply us technology. But even that will not hold for long.

SHRIMATI KRISHNA BOSE : Sir, we are discussing a very important issue. From the discussion, I find that all of us are only talking about sanctions by the U.S.A. What

about other developed countries like Germany and Japan? What is their attitude? Does the Government aware that Japan has already said that they are not going to use the word 'sanctions' and that they are going to use the word 'measure'? They will take certain measures against us. Does the Government aware what those measures would be?

SHRI RAMKRISHNA HEGDE : The hon. Members may be aware, in the G-7 meeting which was held in England, America tried to exercise its influence on other countries to fall in line with America's stand that there should be certain sanctions. But no one agreed to join America, including Germany.

SHRIMATI KRISHNA BOSE : What about Japan?

SHRI RAMKRISHNA HEGDE : Germany has not announced any sanctions, trade or otherwise, against India. It is true that Japan was the second most vociferous country to criticise the nuclear explosion that we carried out. We can understand the feeling of the Japanese people because they were the first victims of such a destructive weapon. But whatever measure they may have in mind, they have not spelt it out.

SHRI MURLI DOERA : What about ADB?

SHRI RAM KRISHNA HEGDE : If ADB does not give loan, some other bank will come to our aid. There are many banks. India's credit worthiness has never been affected. If one bank closes its doors, there will be ten banks which will open their doors.

[Translation]

PROF. RITA VERMA : Our previous governments, especially the government of the Congress party had developed tendency of taking loans. Now without any reason they are worried about the impact of US sanctions. Whereas sanction is a sword which cuts from both the sides. Sanctions will not only harm us but USA also. The figures can prove that in development of this country ... (Interruptions) The figures compiled by you proves that since the beginning of economic liberalisation, in 1991 direct capital investment had been only two percent of the total capital investment. It means that even during the period of economic liberalisation, only internal resources have been used for the development of the country. I therefore, would like to know from the hon. Minister that instead of persuading people of other countries what steps are being taken to persuade those countrymen who advocate the policy of taking external loans?

SHRI RAMKRISHNA HEGDE : Mr. Speaker, Sir, I fully agree with the views expressed by the hon. Members and thank her for it ... (Interruptions).

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Wastage of Rejected Coal/Slurry

*245. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of COAL be pleased to state:

(a) whether a huge quantum of rejected coal and slurry emitted from Bharat Coking Coal Limited and other subsidiaries of Coal India Limited are being wasted;

(b) if so, the total stock of such coal and slurry lying in different subsidiaries of CIL at present;

(c) the reasons for not selling the same and the amount of financial loss suffered by CIL as a result thereof;

(d) whether the Government are aware that a large stock of rejected coal and slurry lying in the collieries is being stolen with the nexus of management and C.I.S.F.;

(e) if so, whether the Government are considering to sell or auction such rejected coal/slurry;

(f) if so, the details thereof indicating the steps proposed to be taken in this direction; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No, Sir, However, some quantity of slurry and washery rejects has accumulated over a period of time in different washeries of Bharat Coking Coal Limited (BCCL) and Central Coalfields Limited (CCL) because these products do not have a regular market.

(b) The stock of slurry and washery rejects in different subsidiaries of CIL is as under:

(Figs. in million tonnes)
(Provisional)

Company	Stock (as on 1.4.98)	
	Slurry	Rejects
BCCL	1.440	6.978
CCL	1.109	7.912
WCL	0.530	-

(c) These products do not have regular market and in spite of best efforts to sell these through Liberalised Sales Scheme, there is only a limited off-take of this coal. CIL have reported that there is no financial loss except loss of 10% of the valuation of the stock on quality grounds.

(d) Coal India Limited management are taking all steps in coordination with the State Government to stop theft of coal from the coalfields.

(e) to (g) As an experimental measure the BCCL has approved a scheme to sell rejects and slurry by auction through bids.

[English]

Proposals by ADB to Speed up Infrastructural Projects

*246. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) Whether the Asian Development Bank suggested speeding up of the infrastructure projects in the country as a condition precedent to increase its aid;

(b) if so, the details of the ADB proposals; and

(c) the steps being taken by the Government in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No, Sir.

(b) and (c) Do not arise.

IPR Appeal

*248. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state:

(a) whether India has lost Intellectual Property Right appeal at World Trade Organisation;

(b) if so, the reaction of the Government thereto;

(c) the extent to which it will affect India's trade; and

(d) the steps the Union Government propose to take in this regard?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE): (a) to (d) On a complaint filed by the United States of America against India before the World Trade Organisation (WTO), and after going through the dispute settlement procedure, the Dispute Settlement Body (DSB) of the WTO requested India to bring its legal regime for patent protection of pharmaceutical and agricultural chemical products into conformity with obligations under Article 70.8 (provision of mail box facilities for receipt of applications for product patents) and 70.9 (grant of exclusive marketing rights for such products) of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). Under Article 65 of the TRIPS Agreement, India, as a developing country member, has a transition period of ten years from 1st January, 1995 to extend product patenting to pharmaceutical and agricultural chemical products. However, Articles 70.8 and 70.9 of the TRIPS Agreement entail certain transitional obligations with regard to providing a means by which applications for product patents for pharmaceu-

tical and agricultural chemical products can be filed with effect from 1st January, 1995 and provision of exclusive marketing rights after a product meets prescribed conditions.

In the meeting of the DSB held on 13th February, 1998, India announced its intention of implementing the rulings and recommendations of the DSB within a suitable time frame. After a series of bilateral discussions with United States of America, India has agreed to discharge its transitional obligations under Articles 70.8 and 70.9 of the TRIPS Agreement by 19th April, 1999. This is a provision that relates to possible grant of intellectual property rights and it is difficult to estimate its impact on trade, as it would depend on various factors like competitiveness of like products manufactured in India, availability of cheaper substitutes, levels of tariffs maintained and price control exercised by the appropriate authority within India.

In case India does not discharge its obligation within the agreed time frame, compensation and the suspension of concessions or other obligations as provided in the WTO Agreement could be resorted to by a member who has initiated the dispute settlement procedure.

[Translation]

Assessment of Excise Duty

*249. SHRI RAMANAND SINGH:
DR. MADAN PRASAD JAISWAL:

Will the Minister of FINANCE be pleased to state :

(a) whether a large number of cases of provisional assessment of excise/customs duties have been pending finalisation for the last 2-3 years while some have been pending for over 10 years;

(b) if so, the amount involved therein;

(c) the reasons for delay in finalising the cases; and

(d) the action proposed to be taken by the Government for quick disposal of these cases?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) As on 31.12.97, 590 cases of provisional assessment of central excise duties and 7389 cases of customs duties were pending finalisation for the last 2-3 years.

(b) The amount involved in Central Excise cases was Rs. 1412.19 crores. The figures relating to amount involved in customs cases are being collected from field formations and would be laid on the table of the House.

(c) In respect of Central Excise, a large number of cases relating to classification and valuation issues are pending in the Tribunal and the courts. Certain clearances to projects are also assessed provisionally and the projects have taken very long time for completion. Some information is also awaited from the assesses. A few cases are subject to enquiry by the Department. In respect of customs, cases are pending for want of proper licence, test reports, technical literature.

(d) For quick disposal of provisional assessment cases, Commissioners of Central Excise & Customs have been monitoring the case on monthly basis and instructions have been issued to finalise the cases within 6 months. Bunching of pending court cases issue-wise for one time disposal and filing of early hearing petition before Court and Tribunal are being made. Adjudication of the cases is being expedited by posting of more commissioners for adjudication, creation of more commissionerates, reorganising the work in chemical laboratories. Steps have also been taken to reduce points of disputes viz. simplification and rationalisation of tariff structure, reduction in end-use based exemptions. A valuation Directorate has been set up in the Customs side.

Committee on Washeries

*250. SHRI NARENDRA BUDANIA:
SHRI SURESH CHANDEL:

Will the Minister of COAL be pleased to state:

(a) whether the Government have constituted a Committee to review the performance of the Coal Washeries under the Central Coal Washery Organisation;

(b) if so, the composition of the Committee and its terms of reference;

(c) whether the Committee has submitted its report;

(d) if so, the recommendations made by the Committee; and

(e) the action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY): (a) An Expert Committee was constituted by Government in August, 1985 to examine the working of ten existing washeries including four washeries of erstwhile Central Coal Washeries Organisation (CCWO). Another Technical Group constituted by Government in November, 1992 for preparing an action plan to reduce dependence on cooking coal imports. This Committee also studied the working of existing washeries (including CCWO washeries) and submitted its report in May, 1993.

(b) and (c) The Expert Committee constituted in 1985 consisted of:

1. Dr. V.A. Altekar Former Director National Metallurgical Laboratory (NML)
—Chairman
2. Shri P.R. Sinha Adviser (Projects), Deptt. of Coal
—Member
3. Shri B. Sharan CGM (Washeries), CCL, Ranchi
4. Shri D.B. Agarwal CCSO, SAIL, Dhanbad—Member
5. Shri C. Ghosh ACE(CP), BCCL, Dhanbad
—Member
6. Dr. R.N. Singh Regional Director(HQ), CMPDI
—Member Secretary

The terms of reference of the Committee were to suggest steps and formulate a programme to ensure supply of washed coking coal with 17 +/- 0.5% ash content to the steel plants. The Committee submitted its report in October, 1986.

(d) The main recommendations of the Expert Committee consisted of provision of (i) deshaling plants to improve the quality of raw coal feed (ii) fine coal beneficiation circuits to improve the yield of clean coal and (iii) automation of washeries for increasing the operational efficiencies.

(e) The recommendations consisted of both short term as well as long term nature. All the recommendations both short term and long term have since been implemented excepting completion of construction of deshaling plants in Dugda-II and Sudamdih washeries of BCCL.

Coal Stocks in Power Plants

*251. SHRI MOHAMMAD ALI ASHRAF FATMI:
SHRI MAHESH KANODIA:

Will the Minister of COAL be pleased to state:

(a) whether due to low production of coal and loading problems prevailing in this sector, the coal stock available in various thermal power plants in the country is likely to last for a few days only;

(b) if so, the present position of coal stock in these thermal power plants; and

(c) the steps proposed to be taken by the Government to improve the position?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No, Sir. It is not a fact that due to low production of coal and loading problems, the power houses are having inadequate stocks. During the year 1997-98, coal production has registered a growth of 3.6% over the last year. Similarly loading of coal by rail to power sector has also registered significant growth. As

a result, the power houses in the country are having stocks equivalent to 24 days consumption as on 28.5.98.

(b) The total coal stocks with power houses in the country as reported by Central Electricity Authority for the last three years are as follows:

Stock as on	Quantity (In .000 tonnes)
01.4.96	5,314
01.4.97	10,386
01.4.98	17,016
28.5.98	14,925

(c) Coal companies are fully geared up to supply the linked quantity of coal to all power houses in the country and close coordination is maintained to ensure supply of coal to them. Coal supplies to power houses are also reviewed regularly by an Inter-ministerial Committee and appropriate action is taken to step up coal supplies, wherever, necessary.

In fact many of the power houses have restricted their supplies throughout the year 1997-98 and asked for suspension of supplies during April, 1998 for want of space for their coal stock.

[English]

Gap between Demand and Supply of Coal

*252. SHRI VILAS MUTTEMWAR : Will the Minister of COAL be pleased to state:

(a) the details of production targets set and achieved against the demand and supply of coal during each of the last three years, State-wise/Company-wise;

(b) the percentage gap between demand and supply of coal during the above period.

(c) the projected demand for the current year and revised target set;

(d) the details of new initiatives taken/under consideration to ensure that the financial performance of coal companies does not get affected due to inadequate demand support for additional coal production resulting in serious stock piling; and

(e) the stock position of coal of various coal companies, as on March 31, 1998 and the extent to which it is above or below the normal limits and the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The production targets and actuals during the last three years are given below:

(in Million Tonnes)

	1995-96		1996-97		1997-98	
	Target	Actual	Target	Actual	Target	Actual
COMPANY						
ECL	29.75	27.81	31.50	29.65	32.50	27.44
BCCL	30.50	27.81	29.50	27.14	30.70	30.92
CCL	35.00	30.76	35.20	32.18	33.50	33.20
NCL	35.00	35.20	37.00	37.01	37.00	37.12
WCL	28.25	29.01	29.50	31.23	30.50	32.51
SECL	50.75	53.17	52.50	55.30	55.50	56.63
MCL	30.75	32.70	36.00	37.36	39.50	42.17
NEC	1.00	0.82	0.80	0.75	0.80	0.69
CIL	241.00	237.28	252.00	250.62	260.00	260.68
SCCL Captive	28.00	26.77	30.20	28.73	31.00	28.94
Collieries	5.50	6.08	6.45	6.28	6.45	6.31
Grand Total	274.50	270.13	288.65	285.63	297.45	295.93

*Provisional

The overall demand is assessed sector-wise and not state-wise. The supply of coal during the last three years is as follows:

(million tonnes per annum)

	1995-96		1996-97		1997-98	
	Demand	Supply	Demand	Supply	Demand	Supply*
Power	191.00	184.52	210.00	199.24	205.90	210.77
(Middlings)	4.00	2.35	5.00	2.58	4.10	3.59
Cement	15.30	11.00	17.50	11.34	18.20	10.10
Steel	38.70	26.42	40.50	25.14	41.40	24.77
Others	53.00	49.12	57.00	50.63	57.88	49.00
(Middlings)	2.70	0.00	2.70	0.00	2.70	0.00
Total	298.00	271.06	325.00	286.35	323.38	294.64
(Middlings)	6.70	2.35	7.70	2.58	6.80	3.59

*Provisional

(b) The percentage gap between demand and supply (in terms of raw coal) for non-coking coal and coking coal during the last three years is as follows:

NON COKING COAL		
1995-96	1996-97	1997-98
6%	9%	2.5%

COKING COAL

1995-96	1996-97	1997-98
46.5%	61.1%	67.1%

(c) The overall demand for coal for 1998-99 and production projection is as follows:

(million tonnes)	
Demand	Target of Production
325.38 (7.50)	306.50

(Figures in bracket indicate middlings)

(d) The coal companies had relaxed the various procedures for according of linkages especially for industrial and small consumers. They have also introduced schemes for immediate sale of coal to parties. These measures have been taken to enable demand to pick up. Further coal companies are insisting that power companies should accept stocks as per the stocking norms laid down.

(e) Vendible stock position of raw coal (Provisional) as on 31.3.1998 in different subsidiaries of CIL and the extent to which it is more than the normal limit is given below:

COMPANY	(Figs. in lakh tonnes)		
	VENDIBLE STOCK	NORMAL LIMIT OF STOCK	STOCK ABOVE LIMIT
ECL	35.91	22.86	13.05
BCCL	59.25	25.77	33.48
CCL	52.04	27.67	24.37
NCL	12.63	30.94	(-)18.31
WCL	22.96	27.09	(-)4.13
SECL	59.88	47.19	12.69
MCL	23.02	35.14	(-)12.12
NEC	9.29	0.57	8.72
CIL	274.98	217.23	57.75

The reasons for accumulation of coal stock beyond the normative limit of one month's production has mainly been due to shortfall in offtake from ECL, BCCL and CCL.

In SECL, although the present vendible stock is above the normative limit marginally, there has been considerable depletion of stock from 79.87 lakh tonnes as on 31.3.1997 to 59.88 lakh tonnes as on 31.3.1998.

In NEC, stock accumulation had been mainly due to low demand.

Action Plan to Increase Industrial Production

*253. SHRI RAMPAL SINGH:
SHRI PANKAJ CHOUDHRY:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have prepared any New Action Plan to increase the industrial production; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) In order to increase industrial production the Government has taken various measures including increasing the current year's outlay for infrastructure sector by 35%; delicensing two more industries namely coal and lignite and petroleum products; increasing the turnover limit of SSI for the purpose of excise duty exemption; reducing the cost of funds by reducing the Bank rate in the new credit policy; by tariff rationalisation and imposing additional non-modvatable levy of 8% on imports to provide level playing field to indigenous industries. Dialogue will be continued with industry associations to identify further measures to stimulate growth.

Ban on Import of Textiles by Germany

*254. SHRI GIRDHARI LAL BHARGAVA : Will the Minister of TEXTILES be pleased to state:

(a) whether the ban imposed by the German Government on import of textiles printed in azodyes has caused a serious set back to the printed textile industry in India;

(b) whether the Chief Minister of Rajasthan sent a letter to the Union Minister of Commerce and Textile for appropriate action to resolve this problem; and

(c) if so, the details thereof and the action taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI KASHI RAM RANA) : (a) No, Sir.

(b) and (c) A letter was received in February, 1996 from the Chief Minister, Rajasthan suggesting to set up a Research & Development Centre at Jaipur, which should have adequate arrangements for testing printed textiles for azodyes and undertake R&D work on vegetable dyes. The Government have since set up a laboratory with latest equipments for testing of banned amines at Jaipur with a view to meet the testing requirements of the textiles industry.

Lending by Banks

*255. SHRI SUSHIL KUMAR SHINDE : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that while banks and financial institutions are swelling with funds, there have been no takers despite reduction in lending rates, during 1997-98;

(b) if so, the reasons for the recession in economy; and

(c) the steps taken to infuse vigour and vibrancy in the economy?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The growth in non-food credit by banks during 1997-98 was higher at 14.2 per cent than that at 10.9 per cent in 1996-97. The total flow of funds comprising both non-food credit and investment by banks in Commercial papers and Bonds/Debentures and Shares issued by industrial units in both public and private sectors increased by 17.9 per cent in 1997-98 as against 11.9 per cent in 1996-97. Similarly, sanctions by All-India Financial Institutions registered a growth of 48.8 per cent in 1997-98 as against a decline of 14.7 per cent in 1996-97 whereas disbursement by them increased by 28.5 per cent in 1997-98 as against a lower increase of 8.4 per cent in 1996-97. Thus, the figures do not support the view that despite comfortable liquidity and lower lending rates there have been no takers of credit in 1997-98. However, the increase in non-food credit in 1997-98 was much lower than that in 1995-96 and 1994-95. The sluggishness in credit off-take in 1997-98 has to be viewed against the modest industrial growth (1993-94 base) of 6.6 per cent in 1997-98 and 5.6 per cent in 1996-97 in contrast to 12.7 per cent in 1995-96 and 8.4 per cent in 1994-95. Besides, the overall economic growth declined to 5 per cent in 1997-98 from 7.5 per cent in 1996-97.

(c) Both the monetary and credit policy announced by the Reserve Bank of India for the first half of 1998-99 and the Union Budget for 1998-99 have spelled out a number of measures to infuse vigour and vibrancy in the economy. These include reduction in Bank Rate to 9 per cent, improvement in credit delivery mechanisms, particularly for agriculture and medium and small-scale industries, higher plan allocation for development of rainfed areas on watershed Development basis and Accelerated Irrigation Benefit Programme, stimulus to infrastructure sector through larger private and public investment, creation of investor friendly environment for boosting private investment including foreign investment, in industry and steps aimed at making the financial system more effective in promoting savings and channelling investment into the most productive activities.

Handloom Weavers

*256. SHRI VAIKO:
SHRI SUSHIL CHANDRA VARMA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware of the misery of handloom/textile weavers, particularly of the Southern States, leading to suicide due to extreme poverty;

(b) if so, the number of suicides of weavers reported during the last three years across the country, state-wise;

(c) whether the Government have any concrete plan to mitigate the sufferings of the handloom weavers in the country; and

(d) whether 68,000 workers have been rendered jobless in the textiles industry last year and about 35 lakh weavers have been pushed to starvation due to implementation of new economic policy?

THE MINISTER OF TEXTILES (SHRI KASHI RAM RANA) : (a) to (d) As per the available information received from most of the States, including Southern States, there have been no reports of starvation nor suicides of weavers due to extreme poverty during the last 3 years. The Government has been extending assistance for the development of Handloom sector through various schemes which support input supplies, training, design input, marketing etc. In addition, welfare schemes like Health Package Scheme, Thrift Fund Scheme, Group Insurance Scheme, Workshed-cum-Housing Scheme and Insurance Scheme (New) for the handloom weavers are in operation.

According to available information, 170 Textile Mills were lying temporarily closed primarily on account of financial difficulties, labour problems, strikes and lockouts while 50 mills were closed under liquidation. The number of workers affected due to closure is more than two lakhs.

Promotion of Indigenous Industries

*257. SHRI MADHAVRAO SCINDIA : Will the Minister of INDUSTRY be pleased to state:

(a) whether the new industrial policy announced by the Government is aimed at promoting indigenous entrepreneurship and providing level playing field to indigenous entrepreneurs while promoting liberalisation;

(b) whether various chambers of industry have expressed their concern about its impact on the flow of Foreign Direct Investment;

(c) if so, the details thereof; and

(d) the reaction of the Government thereto?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) Government is committed to a policy of boosting private investment, including Foreign Direct Investment (FDI), for increased industrial growth. For this purpose, steps have been taken to make the Indian industry internationally competitive through induction of technology and to promote indigenous entrepreneurship. Providing level playing field for the domestic industries is one of the objectives of Government. Suggestions for improvement in policy and procedures are received from various sources, including Industry Associations. These are considered while reviewing the policies and procedures as an on-going exercise to minimize bureaucratic and procedural hurdles so as to provide an investor friendly environment.

Loans to Exporters

*258. SHRI ASHOK PRADHAN : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have received any requests from Punjab, Haryana and Delhi Chambers of Commerce and Industry for reviewing the loan facility

provided by the Government to the exporters during the last three years to achieve the export targets;

(b) if so, the details thereof;

(c) whether the Government have formulated any scheme to achieve the target fixed for exports during the above period;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) In a recent letter submitted by the Punjab, Haryana and Delhi Chamber of Commerce & Industry (PHDCCI) addressed to the Governor, Reserve Bank of India, they had requested RBI to take into consideration their suggestions for the Slack Season Credit Policy announced by RBI on 29.4.98. These include suggestions for lowering the bank rate, CRR and interest rates for export credit. Other suggestions included de-regulation of interest rates on deposits, making NRI deposits rates more attractive, inclusion of stocks and stores and components meant for export production under packing credit facilities, increase of limits for overseas borrowings, full convertibility of EEFC accounts etc.

(c) to (e) Export promotion is a continuous activity undertaken by the Ministry of Commerce and is based on interaction with industry, trade and other export promotion institutions. The measures to achieve targets fixed for exports are initiated through policy and promotional schemes which include simplification of export and import policy procedures, improving efficiency and competitiveness, focusing on quality and technology upgradation and efforts to actively involve State Governments in export promotion.

Export performance is influenced inter-alia by international market conditions, competitiveness of domestic industry, supportive infrastructure, etc. and the Government through its policy liberalisation is trying to provide a policy environment conducive to high growth in exports. Some of the recent steps taken in this regard include modification in DEPB rates, announcement of DEPB rates for about 300 new export items, allowing the setting up of private bonded warehouses so as to ensure easy and timely availability of raw materials to exporters at internationally competitive prices and to facilitate bulk imports from India by large overseas buyers, preparing a Medium Term Strategy for growth of exports launching of Focus LAC Scheme, etc.

Regarding export credit banks have been advised by RBI from time to time to ensure that exporters' credit needs are met in full and promptly. Exporters can avail of credit in rupees at concessional rates as also credit in foreign currency at rates linked to LIBOR (London Inter Bank Offer Rate) both at pre-shipment and post-shipment stages. Exporters can now avail of packing credit in rupees at 11

percent upto 180 days and 14 percent for beyond 180 days upto 270 days. Rupee post-shipment credit is available at rates not exceeding 11 percent upto 90 days and at 13 percent for the period beyond 90 days and upto six months from the date of shipment. For ensuring smooth flow of credit to export sector, RBI has issued instructions to banks to ensure that:

(i) No export order suffers for want of finance.

(ii) Grievances of exporter-borrowers in the matter of timely and adequate sanction of credit limits are redressed promptly; and

(iii) Sanction of fresh/enhanced limits/renewal of limits is made within the period stipulated where application is received with complete details and cases of rejection of export credit proposals are brought to the notice of the Chief Executive explaining reasons for rejection.

Banks are also required to reach an export credit target of 12.0 percent of their net bank credit.

New Industrial Policy

*259. SHRI VIJAY GOEL : Will the Minister of INDUSTRY be pleased to state:

(a) whether the new Government propose to formulate a 'New Industrial Policy' on the basis of review made in respect of new economic policy during the last seven years;

(b) if so, the details thereof;

(c) the investment made so far in the infrastructural facilities meant for the industries during the last seven years; and

(d) the steps being taken by the Government to further strengthen these infrastructural facilities?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Government is fully, committed to a policy of promoting investment and industrial growth with a major thrust on infrastructure development. The industrial policy is continuously reviewed to meet the changing needs of industrial growth and to make it competitive and attractive. In line with the policy of the Government to continue with the reforms in the industrial sector and to create an investor friendly environment, Government have taken a series of steps as outlined in the Union Budget proposals for 1998-99. These specifically include the decision to allow 100 percent foreign direct investment in the power sector subject to foreign equity not exceeding Rs. 1500 crores in a project, deleting (i) coal and lignite and (ii) petroleum (other than crude) and its distillation products from the list of industries included for compulsory licensing under the Industries (Development and Regulation) Act, 1951, etc.

(c) Most of the activities relating to infrastructure (other than tele-communication and railways) relate to the state Governments. Details of investment in infrastructural facilities are not centrally maintained.

(d) Measures to promote infrastructural facilities have been stated in the Union Budget proposals for 1998-99 which include increased plan outlay (such as for energy, transport and communications), extension of tax concessions under Section 80-IA of the Income Tax Act to tele-communication services, Inland ports, water-ways and housing projects, distribution and generation of power plants, etc., as also to provide increased resources for the power and road sector.

[Translation]

Foreign Capital Investment

*260. SHRI CHINTA MOHAN:
PROF. PREM SINGH CHANDUMAJRA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether attention of the Government has been drawn to the news item captioned "FDI inflow only 23% of total approvals" appearing in the "The Observer" dated March 16, 1998;

(b) if so, whether a very low percentage of the amount of foreign capital investment approved by the Government, has been actually invested;

(c) if so, the total percentage of the actual investment made out of the total approved foreign capital investment during August 1992 to March 1997; and

(d) the reasons for the said low capital investments?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Yes, Sir.

(b) and (c) The total approved amount of Foreign Direct Investment from August 1992 to March 1997 is Rs. 1,13,654 crores and actual inflow during the corresponding period is Rs. 23,306 crores.

The actual investment as a percentage of the approved amount from August 1992 to March 1997 is 20.5 per cent.

(d) The realisation rate (inflows to approval ratio) in FDI varies from sector to sector. Whereas in certain sectors such as electronics (including computer software), transportation and services the realisation rates have been around 30 to 40 per cent, the same has been below 10 per cent in certain other sectors like power and telecommunications, which account for nearly 50% of the total approved amount. The time lag in inflows against mega projects is usually longer because of several factors that are external to the basic FDI regime such as

acquisition of land, obtaining various statutory clearances, tying up funding arrangements etc. Which are time consuming. Besides international factors such as global market conditions and trade fundamentals, which determine major investment decisions, are also responsible to some extent.

Production in Underground Mines

*261. SHRI KAMAL NATH:
SHRI AJOY MUKHOPADHYAY:

Will the Minister of COAL be pleased to state:

(a) the production and productivity in underground and opencast mines, separately in various subsidiaries of Coal India Limited during the years 1975, 1980, 1990 and 1997;

(b) whether production of Coal from underground mines has become static;

(c) If so, the estimated loss in Coal production from different mines;

(d) the action proposed to be taken to improve coal production from underground mines;

(e) whether funds spent on mechanisation have produced any results; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The details regarding coal production and productivity in underground and opencast mines in the subsidiaries of Coal India Limited are given in statement.

(b) Yes, Sir.

(c) The estimated short fall in production against target from the underground mines of Coal India Limited has been as follows:-

(In million tonnes)			
Year	Target	Actual	Shortfall
1996-97	58.70	55.18	3.52
1997-98	58.05	53.98	4.07

(Provisional)

(d) Following measures are being taken to improve production from the under-ground mines of Coal India Limited:

(i) Adoption of intermediate technology of using mechanical loaders like side discharge loaders and load haul dumpers at coal face in underground mines.

- (ii) Introduction of modern technology in selective UG mines.
- (iii) Improvement in UG mechanised longwall face performance through better back up of spares and system improvement.
- (iv) Improved working conditions in mines through better lighting, ventilation and communication.
- (v) Introduction of "All man all job" concept wherever feasible.
- (vi) Improvement in power supply particularly to mines in eastern region and setting up captive power plants in selected location, and
- (vii) Improvement of industrial relation through participative management at all levels.

(e) and (f) The following table shows the quantitative gain achieved through mechanisation during VIII plan period by different subsidiary companies:

Company	Production through mechanisation (million tonnes)	
	1991-92	1996-97
ECL	1.53	2.16
BCCL	1.41	3.34
CCL	0.15	0.50
WCL	1.34	3.34
SECL	6.05	10.19
MCL	0.74	0.86
Total	11.22	20.39

Statement

(in million tonnes)

PRODUCTION COMPANY	UNDER-GROUND				OPEN-CAST			
	1975	1980	1990	1997	1975	1980	1990	1997
ECL	20.50	17.09	14.72	13.88	2.66	3.43	9.77	15.77
BCCL	15.64	15.26	13.29	10.04	2.10	4.82	13.32	17.10
CCL	5.97	6.96	4.76	3.52	12.34	17.19	23.82	28.66
NCL	-	-	-	-	-	-	23.28	37.01
WCL	15.73	19.43	9.94	9.86	3.53	6.70	13.07	21.37
SECL	-	-	15.65	15.81	-	-	36.13	39.50
MCL	-	-	-	1.81	-	-	-	35.55
NEC	0.38	0.39	0.35	0.28	0.14	0.17	0.49	0.47
CIL	58.22	59.13	58.71	55.20	20.77	32.31	119.88	195.43

PRODUCTIVITY (OUTPUT PER MAN-SHIFT) COMPANY	UNDER-GROUND				OPEN-CAST			
	1975	1980	1990	1997	1975	1980	1990	1997
ECL	0.54	0.45	0.43	0.44	0.45	0.67	1.52	3.65
BCCL	0.44	0.51	0.48	0.47	0.60	0.99	1.91	2.75
CCL	0.50	0.51	0.45	0.41	0.77	1.37	1.81	2.64
NCL	-	-	-	-	-	-	8.73	8.60
WCL	0.72	0.75	0.70	0.71	2.12	2.93	3.84	4.06
SECL	-	-	0.79	0.90	-	-	6.32	9.26
MCL	-	-	-	0.68	-	-	-	12.82
NEC	-	0.52	0.41	0.37	-	0.64	2.39	3.65
CIL	0.54	0.55	0.55	0.57	0.76	1.26	3.08	5.12

(Note NCL & SECL came into being w.e.f. 1985-86 and MCL w.e.f. 1992-93)

Payment to Workers of BCCL

2434. SHRI AJOY MUKHOPADHYAY : Will the Minister of COAL be pleased to state:

(a) whether BCCL is taking work from some employees for the last several months without making payment to them; and

(b) if so, the facts thereof giving the number of such employees working without payment for more than six months as on January 1, 1998?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No, Sir.

(b) Does not arise in view of reply given to part (a) above.

[Translation]

Amount Due against NTC

2435. DR. CHARAN DAS MAHANT : Will the Minister of TEXTILES be pleased to state:

(a) whether an amount of rupees 138 crore of Madhya Pradesh Electricity Board is due against the cotton textile mills being run by National Textile Corporation; and

(b) if so, whether the MPEB has requested the Union Government to direct the National Textile Corporation to clear the outstanding dues?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) As on 30.4.98 an amount of Rs. 25.90 crores is payable by mills under NTC (MP) Ltd. to Madhya Pradesh Electricity Board on account of electricity dues.

(b) No, Sir.

[English]

Decentralisation of FDI Clearance

2436. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to empower the States for clearing Foreign Direct investment upto 1500 crores;

(b) if so, the details thereof;

(c) whether there is any disagreement between his Ministry and Ministry of Power over the issue of empowerment; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) A decision has been taken to allow automatic approval for foreign equity upto 100% for undertaking generation, transmission and distribution of electric energy produced in hydro-electric power plants and

coal/lignite/oil/gas based thermal power plants subject to a ceiling of Rs. 1500 crores.

(c) No, Sir.

(d) Does not arise.

Exploitation of Powerloom Workers

2437. DR. JAYANTA RONGPI : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware of acute economic exploitation and miserable conditions of powerloom workers in the country;

(b) if so, the steps taken so far to stop such exploitation;

(c) whether Government propose to conduct an enquiry into the condition of such workers;

(d) if so, the details thereof;

(e) whether the Government propose to bring out a comprehensive Central legislation to regulate the Powerloom industry and improve the conditions of powerloom workers; and

(f) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) No specific case of acute economic exploitation and miserable conditions of powerloom workers in the country has come to the notice of this Ministry and its Subordinate offices.

(b) to (d) Does not arise.

(e) and (f) If specific instances are brought to the notice of the Government, it will examine the need for and feasibility of ameliorating the same by suitable means.

Purchase of Cotton by CCI

2438. SHRI R. SAMBASIVA RAO : Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government have asked the Cotton Corporation of India (CCI) to purchase cotton from farmers during the current cotton season;

(b) if so, the details thereof; and

(c) the reaction of the Cotton Corporation of India thereto?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) The Cotton Corporation of India Ltd. (CCI) purchases cotton in all the cotton growing states except Maharashtra of its own. However at times, Government gives directions to CCI to make aggressive purchases in problem areas. As of 9th June, 1998 the CCI had purchased 7,95,011 bales of cotton in the current cotton year.

Hawala Scam

2439. SHRI JANG BAHADUR SINGH PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether the investigation wing of the income-tax department has unearthed hawala scam in Mumbai amounting to Rs. 150 crores involving many leading corporates and institutions;

(b) if so, the details thereof; and

(c) the steps taken to tighten the grips around hawala racketeers?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) Yes, Sir.

(b) and (c) The search and seizure operations conducted by the Investigation Directorate of the Income-tax Department at Mumbai has resulted in detection of large scale hawala operation which included issue of bogus bills for sales, services and expenses to various beneficiaries and bogus leasing of wind mills, without any assets. The funds arising out of these hawala transactions were found to have been either withdrawn in cash at the behest of the beneficiaries or diverted and siphoned off. Necessary further investigations as required are in progress.

Foreign Institutional Investors

2440. SHRI S.S. OWAISI : Will the Minister of FINANCE be please to state:

(a) The number of public sector companies and public sector banks approached the RBI to increase the ceiling of foreign institutional investors share holding in the respective banks and companies;

(b) the total number of proposals pending with RBI and the number of proposals cleared by the RBI during the last two years;

(c) whether there is an undue delay on the part of the Government to clear these proposals;

(d) if so, the reasons therefor; and

(e) the criteria adopted for increasing the ceiling of foreign institutional investors?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) 15 (fifteen) Public Sector Companies have been given permission to increase the Foreign Institutional Investors (FIIs) shareholding from 24% to 30% by Reserve Bank. The enhanced limit is not applicable to Public Sector Banks. 2 (two) proposals are pending clearance with RBI for want of additional information.

(c) and (d) Such proposals are cleared at the level of Reserve Bank if they are otherwise in order and do not require Government of India clearance.

(e) A revision in the aggregate portfolio investment limits by all FIIs, NRIs and OCBs from 24% to 30% of the issued and paid up capital of a company is permitted subject to:

(i) Approval by the Board of Directors of the Company to the enhanced limit upto 30%; and

(ii) A Special Resolution passed by the General Body of the company approving the enhanced limit upto 30%.

[Translation]

Growth Rate of Textile Production

2441. SHRIMATI SURYAKANTA PATIL : Will the Minister of TEXTILES be pleased to state:

(a) the growth rate of textile production during 1997-98 till April, 1998 as compared to previous two years;

(b) the reasons for sharp decline in the growth rate;

(c) the targeted growth rate fixed and the anticipated achievement likely to be made during the current year; and

(d) the steps proposed to be taken by the Government to step up the pace of textile production?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Textile production and rates of Growth during the years 1995-96, 1996-97 and 1997-98.

Item	Unit	1995-96		1996-97		1997-98 (Provisional)	
		Production	Rate of Growth	Production	Rate of Growth	Production	Rate of Growth
Total Yarn (Spun Yarn+ Filament Yarn)	Mn.Kg.	2978	14%	3396	14%	3754	11%
Cloth	Mn.Sq.Mtr.	31891	11%	34813	9%	36701	5.4%

(b) Though the quantum of production of both yarn and cloth has increased the decline in the growth rate may be attributed to general recession in the economy during 1997-98.

(c) No specific targets have been fixed for growth rate and for textile production during the current year. However, the projected quantities of yarn and cloth for the current year i.e. 1998-99, 3736 Mn. Kg. and 36682 Mn. Sq. Mtr. respectively are expected to be achieved easily in view of the production figures of previous years.

(d) Major steps taken for achieving increase in production of textiles, including cotton textiles, are as follows:-

- (i) Removal of restrictions on the creation and expansion of capacity, subject only to locational guidelines
- (ii) Doing away with the requirement of licensing subject to locational requirements and conditions relating to SSI units and foreign collaboration.
- (iii) Permitting import of textile machinery under OGL and the reduction of import duty on such machinery imports.
- (iv) Intervention whenever necessary to ensure availability of the raw-material to the industry.

In addition, Government propose to set up a technology mission for cotton for improving production, productivity and quality of cotton. Government also has a proposal to create a Technology Upgradation Fund for textile and jute industries with the corpus of Rs. 25000 crores to provide finance to industry at concession rate of interest.

[English]

Burn Standard Company

2442. SHRI MAHBOOB ZAHEDI : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Indian Standard Wagon Company Ltd. and Burn & Company Limited were taken over by the Government and subsequently nationalised them;

(b) if so, the reasons for nationalisation of the above companies;

(c) whether the Government have failed to modernise the above companies;

(d) if so, the reasons therefor;

(e) whether Burn Standard Company Limited and its units particularly, Refractory & Ceramic Group, Raniganj are incurring losses and referred to the Board of Industrial and Financial Reconstruction (BIFR); and

(f) if so, the details thereof alongwith the present status of the company?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes, Sir.

(b) These companies were nationalised in public interest with a view to ensure rational and coordinated development and production of Railway rolling stock and other items.

(c) and (d) Government has provided Rs. 64.63 crore to the Company since nationalisation for investment in modernization etc.

(e) Burn Standard Co. Ltd., including its Refractory & Ceramic Units except Salem Unit, has been incurring losses. The Company was referred to BIFR on 27.11.1994.

(f) The details of last three years net loss of the Company are as under:-

(Rs. in Crore)	
Year	Net Losses
1995-96	(-) 86.31
1996-97	(-) 76.30
1997-98	(-) 85.29 (prov.)

The Company is currently incurring losses.

Disputes regarding Patenting

2443. SHRI K.P. NAIDU : Will the Minister of COMMERCE be pleased to state the details of the disputes India is facing over patenting and other related issues and action taken to solve those problems?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : Two disputes regarding Patents have been instituted against India in the World Trade Organization (WTO).

In the dispute filed by USA, the allegation of USA was that India had not complied with Article 70.8 (provision of mailbox facilities for receipt of applications for product patent) and Article 70.9 (grant of exclusive marketing rights) relating to pharmaceutical and agricultural chemical products in the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). The Panel as well as the Appellate Body found that India was required to discharge its obligations under Article 70.8 and Article 70.9 of the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). India has indicated to the Dispute Settlement Body (DSB) its intention of discharging those obligations by 19th April, 1999.

The dispute filed by the European Communities against India is on exactly the same issue as the one filed

by the USA, namely, that India has not complied with Article 70.8 and Article 70.9 of Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement. The panel process is under way and India is defending the case before the World Trade Organization (WTO).

Import of Cloves

2444. SHRI T. GOVINDAN : Will the Minister of COMMERCE be pleased to state:

(a) whether the Union Government is taking appropriate action to ensure the implementation of the policy of Canalised import of cloves through NAFED/STCL during the next five years for giving partial relief to the producers; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) The present import policy allows import of cloves by an individual importer against surrender of freely transferable/tradeable Special Import Licence (SIL) equivalent to 5 times the CIF value of imported cloves, whereas for the Government agencies, Spices Trading Corporation Limited (STCL) and National Agricultural Cooperative Marketing Federation of India (NAFED), import of cloves is allowed without surrender of SIL. However, cloves are freely importable into India if imported from SAARC countries, namely, Bangladesh, Bhutan, Nepal, Maldives, Sri Lanka or Pakistan.

Vysya Bank

2445. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 580 dated November 21, 1997 and state:

(a) whether the information has since been collected;

(b) if so, the details thereof;

(c) the reaction of the Government thereto;

(d) whether the Bank is not expected to open Agricultural Financial Branches; and

(e) if so, the reasons for which the Bank has not yet followed the RBI guidelines/instructions?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) Yes, Sir.

(b) and (c) Reserve Bank of India (RBI) has reported that in its annual financial inspection of the bank at its Head Office, very few rural branches are taken up for inspection as test check. A perusal of the Inspection Report of two

rural branches revealed that the credit deposit ratio as on 31 March 1997 was low in Vella and Anagalle branches. Apart from instances of violation of RBI directions of opening of SB A/c. in the name of ineligible institutions, issue of demand drafts of Rs. 50,000/- and above against cash receipts and payment of incentives to staff for deposit mobilisation in these two branches, there are no other serious irregularities.

The details of number of loans and amount outstanding in respect of loans extended through rural branches during the last three years is given below:

As on	No. of Accounts	Amount outstanding (Rs. in lakhs)
31.3.95	99787	12076
31.3.96	100706	11084
31.3.97	101703	13987

The details of amount lost by the bank as bad debt during the last three years in the rural branches is given below:

Year	Amount (Rs. in lakhs)
1994-95	27.33
1995-96	18.08
1996-97	10.28

The non-recovery is mainly due to crop failure, other natural reasons and to some extent wilful default by the borrowers.

(d) and (e) According to Reserve Bank of India (they have advised scheduled commercial banks that) only Convenors of State Level Bankers Committee should open Specialised Agricultural Finance branches. Vysya Bank Ltd is not a convener of SLBC in any State.

Export of Coir Products

2446. SHRI MULLAPALLY RAMACHANDRAN : Will the Minister of INDUSTRY be pleased to state:

(a) the value of Coir products exported during 1996-97 and 1997-98;

(b) the target fixed for export during the current financial year; and

(c) the details of the countries that are mainly importing coir products from India?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) The value of coir products exported during 1996-97 and 1997-98 is as under:

1996-97	Rs. 212.58 crores.
1997-98(P)	Rs. 226.51 crores.

(b) The target fixed for export during the current financial year provisionally is Rs. 230.00 crores.

(c) India is exporting coir products to 62 countries. The U.S.A. is the largest importer of coir products from India followed by U.K., Netherland, Germany, France etc.

Export of Meat and Its Products

2447. SHRI RAGHUVANSH PRASAD SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether Animal Rights International has requested to set up committee to evaluate socio-economic problems arising due to export of meat and meat products;

(b) if so, the reaction of the Government thereto;

(c) the subsidies being paid for export of meat/meat products by APEDA or any other organisation with amounts paid to each exporter during the current financial year;

(d) whether any consignment has been rejected by importers or claimed damages for inferior quality; and

(e) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Yes, Sir. Exports of meat and meat products constitute only about 3% of the meat consumed in the country. A separate assessment of socio-economic problems arising due to export of meat and meat products by a committee proposed by the Animal Rights International would, therefore, serve no useful purpose.

(c) No direct cash subsidies are being paid by the Government for export of meat and meat products. APEDA has, however, formulated various schemes such as scheme for Development of infrastructure, Scheme to promote Quality and Quality Control Upgradation of Meat plants under which financial assistance is provided to the exporters of scheduled products of APEDA including meat and meat products. APEDA has not released any financial assistance to any meat exporter during the current financial year.

(d) and (e) Exports of meat and meat products are under taken by the private exporters as per the mutually agreed terms and conditions of the export contracts. Damages, if any, claimed by the importers are settled between the exporters and importers. Details of such claims are not maintained.

However, as per the details available, the damages claimed by importers are as under:

In January, 1997 M/s. Al-Baydi Restaurants and Catering services Co., Kuwait claimed a damage of US\$ 36,830 from PML Industries Ltd., Chandigarh on account of rejection of one container of frozen meat by Kuwait Health Authorities.

In December, 1997 M/s. European Arab Trading Co., Muscat claimed a damage of US\$ 2697 from Al-Quresh Exports, Mumbai on account of receipt of part of the meat consignment as partially defrosted.

Borrowings by State Governments

2448. SHRI G.M. BANATWALLA : Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has suggested that State Government should borrow at competitive rate based on individual strength;

(b) if so, the details of the suggestions made;

(c) the reaction of the Government thereto;

(d) whether the State Governments have been consulted on the RBI's suggestions; and

(e) if so, the reactions of each of the State Government thereto?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) In the meeting of the Finance Secretaries of State Governments held at the Reserve Bank on November 8, 1997, a consensus was reached that over a period of time all the State Governments should move over to a flexible approach to market borrowing in terms of method, timing and maturities.

(b) It was agreed that State Governments could be provided the option of raising resources in a flexible manner within the approved borrowing programme with a minimum (floor) of 5 percent and a maximum (ceiling) of 35 percent in 1998-99.

(c) The proposal of the flexible approach of borrowing a part of the amount allocated to the individual States in the range of 5 percent (minimum) and 35 percent (maximum) on optional basis has concurrence of Government of India.

(d) and (e) The suggestion has emanated in the meeting of State Finance Secretaries, as indicated in reply to (a).

Sweepers of RRB

2449. SHRI BASU DEB ACHARIA : Will the Minister of FINANCE be pleased to state:

(a) whether the benefits of Payment of Bonus Act and Employees Provident Fund Act are being extended to sweepers now working in many offices of Regional Rural Banks on monthly or daily fixed wage basis; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION

AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN): (a) and (b) The employees of Regional Rural Banks (RRBs) are governed by the Employees Provident Fund and Miscellaneous Provisions Act, 1952. In terms of Section 26 of the Act, an employee (daily wage or regular), who has completed 60 days service within the period of 3 months or less, is entitled and required to join the Provident Fund as a member. Further, the employees of RRBs are also entitled to be paid bonus by the RRB, in an accounting year, in accordance with the provisions of Payment of Bonus Act, 1965, provided such employees have worked in the RRB for not less than 30 working days in that year

Victimisation of Trade Union Functionaries

2450. SHRI BHERU LAL MEENA :

SHRI RAMPAL UPADHYAY :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received representations from the Employees Associations and Members of Parliament against discrimination and victimisation of Trade Union functionaries by the management of New India Assurance Co. Ltd. for highlighting corruption and malpractices at various levels in the last two years;

(b) if so, the action taken or proposed to be taken by the Government on the representations to restrain the management from victimising the Trade Union functionaries;

(c) whether representations have also been received against the management's vindictive actions on take ground with discrimination to block the promotions of Trade Union functionaries to higher cadre; and

(d) if so, the details thereof and the action taken or proposed to be taken to rectify the action of management?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) : (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) GIC has reported that as per preliminary enquiries made by them indicates no instance of alleged discrimination or victimisation of any trade union functionary has come to light.

(c) and (d) GIC has reported that no instance of victimisation or vindictiveness against any trade union functionary in the matter of promotion has come to light.

Conversion of Washing Coking Coal to Non-Coking Coal

2451. SHRI MOINUL HASSAN : Will the Minister of COAL be pleased to state:

(a) whether Giddi Washery is being converted from washing coking coal to non-coking coal;

(b) if so, the details thereof and the reasons therefor giving relative economy of these;

(c) whether the Government have considered all the pros and cons of the said decision on the employment opportunities of the unorganised sector workers engaged in loading; and

(d) if so, the alternative steps proposed to be taken to ensure that employment opportunities of unorganised sector workers are not affected?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Yes, Sir, Gidi washery of Central Coalfields (CCL) is washing non-coking coal instead of coking coal with effect from 26.5.1998.

(b) Gidi washery was originally built in the year 1970 for washing high volatile non-coking coal. Due to lack of market for washed non-coking coal at that time, the washery in 1973 was converted for washing medium coking coal from Kuju and Hazaribagh areas. However, because of flow-sheet and the process of the plant and characteristics of raw coal feed, it was not able to beneficiate medium coking coal to the desired level of ash content in the washed coal.

With the refusal, of late, of Steel Authority of India Limited (SAIL) to accept washed coal of higher ash than stipulated by them and commissioning of Kedla coking coal washery, the operation of this financial unviable washery for washing coking coal were discontinued. Operation losses incurred in Gidi washery during 1997-98 was about Rs. 35 crores.

With the market for washed non-coking coal gradually developing for power plants located far away from the supply sources of coal, both in view of economy in coal transportation as well for environmental reasons, it is expected that the washery financial viability will improve.

(c) Coal company has taken the decision after weighing all the pros and cons in switching over to washing of non-coking coal. This decision is not likely to have any adverse impact on the employment opportunity of unorganised sector workers.

(d) Does not arise in view of (c) above.

New Regional Officers of GIC

2452. SHRI RAMPAL UPADHYAY : Will the Minister of Finance be pleased to state :

(a) whether the General Insurance Corporation (GIC) propose to open new Regional Offices, Divisional Offices and Branch Offices of its subsidiaries during 1998-99; and

(b) if so, the details thereof company-wise and region-wise?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE): (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) The General Insurance Corporation of India (GIC) has reported that National Insurance Company Limited and New India Assurance Company Limited have already opened a Regional Office at Coimbatore and Nagpur respectively w.e.f. 1.4.1998. The opening of new Regional Offices, Divisional Offices and Branch Offices is a continuous process and such proposals are considered based upon the business and growth potential of the area and other parameters laid down by GIC.

Japanese Aid to Goa for Development of Tourism

2453. SHRI FRANCISCO SARDINHA : Will the Minister of TOURISM be pleased to state:

(a) whether the Union Government have received any proposal from the Government of Goa seeking Japanese aid for development of tourism infrastructure in Goa; and

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

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) Yes, Sir.

(b) The project has been forwarded to the Department of Economic Affairs, Ministry of Finance for external funding.

Export of Float Glass

2454. SHRI RAMESHWAR PATIDAR : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to export the float glass from India during the next bilateral meeting between India and Pakistan on the trade matters; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE): (a) Presently, there is no bilateral forum for official discussions on trade matters between India and Pakistan.

Hence, no bilateral meeting is scheduled between the two countries on trade matters. Float glass is also not included in the list of items permitted by Government of Pakistan to be imported from India.

(b) Does not arise.

Tourism in Kerala

2455. SHRI S. AJAYA KUMAR : Will the Minister of TOURISM be pleased to state:

(a) whether the Government have received any representation from the Government of Kerala for financial assistance for the development of tourist spots in the State; and

(b) if so, the details of the assistance extended, project wise ?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) During 1997-98, the Union Ministry of Tourism received the following 11 projects from the Government of Kerala for financial assistance:-

1. Upgradation of Nalukettu Heritage building
2. Tourist Complex at Kumarakom
3. Yatrinivas at Nellampatty
4. Wayside amenities at Thanneer-Mukkom
5. Nehru Centenary Pavillion at Alaphuza
6. Purchase of Rice Boat
7. Flood lighting of Secretariat building
8. Signages
9. Wayside amenities at Karunagapally
10. The Great Elephant March
11. Kerala Village Festival

All the above projects were sanctioned.

[Translation]

Water Supply to Bank Note Press, Devas

2456. SHRI THAWAR CHAND GEHLOT : Will the Minister of FINANCE be pleased to state:

(a) whether any proposal regarding supply of water to Bank Note Press, Devas is pending with the Government for clearance;

(b) if so, the date since when it is pending;

(c) whether the Union Government and Bank Note Press Devas have asked the Public Health Engineering Department of Madhya Pradesh for supply of water; and

(d) if so, the terms on which action is being taken to supply the water?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes.

(b) While the original proposal was received in October, 1997, complete details of the project were received in the Ministry in April, 1998.

(c) and (d) Government has made several requests to the State Govt. of Madhya Pradesh for supply of adequate water to Bank Note Press, Dewas. The State Govt. has now formulated a Scheme for water supply to Bank Note Press, Dewas from Lakhunder Dam, situated about 40 Kms. away from Dewas City. The condition is that the entire cost of the Scheme should be paid to the State Govt. of Madhya Pradesh, in advance, as per stage-wise implementation. The estimated cost of the Scheme is Rs. 9.97 crores, with a gestation period of 3 years.

Corruption in ECL and CCL

2457. SHRI RAM TAHAL CHAUDHARY : Will the Minister of COAL be please to state:

(a) the total number of persons found guilty for the incidents of corruption in ECL and CCL., separately, during the past three years;

(b) the number of of persons out of them against whom action has been taken till date, company wise;

(c) whether many persons found guilty for the incidents of corruption have not been punished so far; and

(d) if so, the reasons for delay in taking action against them or awarding punishment to them?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (d) In Coal India Limited 12 persons, 10 from CCL and 2 from ECL have been arrested by the CBI on charges of accepting illegal gratification. Cases of 10 persons of CCL are under trial in the Court of Law. In the case of two persons of ECL, sanction for prosecution has been issued. Appropriate action against the persons who have been accused of corruption during the last three years will be taken after the conclusion of the trial.

Loss of Funds in SECL

2458. SHRI PUNNU LAL MOHALE : Will the Minister of COAL be pleased to state :

(a) whether SECL, Bilaspur, Madhya Pradesh has wasted a huge amount on litigation due to the adamant attitude of the management whereas these matters can be settled through arbitration;

(b) if so, the total amount lost by SECL, Bilaspur on litigation during the last three years;

(c) the action being taken against the officials wasting the funds in this way;

(d) whether any efforts are being made by the Government to dispose of these cases through arbitration;

(e) if so, the number of cases referred for arbitration so far; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No, Sir.

(b) and (c) Do not arise in view of answer given to part (a).

(d) to (f) Efforts are being made by the South Eastern Coalfields Limited to dispose of most of the cases through arbitration. The number of cases referred for arbitration and the number of cases pending before the Courts of Law are given below;

- | | | |
|------|---|----|
| i) | Cases referred for arbitration so far | 59 |
| ii) | Cases under process to appoint arbitrator | 10 |
| iii) | Cases pending before the Courts of Law. | 13 |

[English]

Plantation Programme by BCCL

2459. SHRI R.L.P. VERMA : Will the Minister of COAL be pleased to state:

(a) whether Bharat Coking Coal Ltd., has discontinued annual plantation programme in Bihar;

(b) if so, the reasons therefor;

(c) whether the Union Government have disbursed the arrears relating to plantation to the company;

(d) if not, the reasons therefor;

(e) whether the forest department is totally indifferent to this programme; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No, Sir.

(b) Does not arise in view of reply of Part (a) above.

(c) and (d) The plantation work is being carried out by Bharat Coking Coal Limited (BCCL) through its own financial resources. As such, question of disbursement of any arrears by the Union Government does not arise.

(e) No, Sir. The Forest Departments of Bihar and West Bengal are mainly involved in the plantation works which is done in BCCL every year since 1992-93.

(f) Does not arise in view of reply of Part (e) above.

**Reservation of Physically Handicapped
Persons in Income Tax Department**

2460. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of FINANCE be pleased to state:

(a) the total number of persons presently working in Group "B" services of the Income-tax Department, and the number of physically handicapped persons out of them;

(b) whether the Government are contemplating to reserve atleast three percent of vacancies in Group "B" services of the Income-tax Department for orthopaedically physically handicapped person in terms of S-33 of the Central Act No. 1 of 1996;

(c) if so, the details thereof alongwith the manner in which the Government presently fill up such vacancies where there is no provision of direct recruitment or appointment by promotion;

(d) if not, the reasons therefor;

(e) whether the Government have formulated any policy to fill up 3% vacancies of Group "B" services by promotion from Group "C" services; and

(f) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) to (f) The information is being collected and will be laid on the Table of the House.

Records of MMTC

2461. SHRI E. AHAMED : Will the Minister of COMMERCE be pleased to state:

(a) whether certain important records relating to Sales of Nickel and Zinc to the customers of Delhi for the years 1983-84, 1984-85, 1985-86 have been disappeared from the Accounts Division of D.R.O., MMTC;

(b) if so, the details of the records found disappeared;

(c) whether similar records prior to 1983-84 and after 1985-86 are available in the above office;

(d) if so, the reasons for disappearance of records for 1983-84, 1984-85 and 1985-86;

(e) whether any enquiry has been conducted to punish the culprits;

(f) if so, the outcome thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

(b) Question does not arise.

(c) D.R.O. of MMTC was established in 1981 and since then the records are available in MMTC.

(d) Question does not arise.

(e) No, Sir.

(f) and (g) Not applicable.

Corruption in PSU

2462. SHRI HARIN PATHAK : Will the Minister of INDUSTRY be pleased to state:

(a) whether the corruption in each public sector undertaking was considered by the Chief Vigilance Officer;

(b) if so, the details thereof; and

(c) the details of the recommendations made and measures taken by the Government in order to check corruption in PSUs?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) and (b) The role of Chief Vigilance Officers of the PSUs can be broadly divided into two parts i.e. preventive and punitive. After scrutinising the source of information received from various quarters, CVOs undertake investigation in vigilance cases to detect and proceed against cases of corruption and other malpractices.

CVOs in PSUs also undertake various preventive measures like examination of the Systems and Procedures with the view to eliminate scope for corruption and malpractices; conduct regular inspections and surprise checks; maintain surveillance of officers with reference to the "List of Officers of doubtful integrity" and "Agreed List"; ensure observance of Conduct Rules relating to Integrity; scrutinise Annual Property Returns etc.

(c) Measures taken by the Government on the recommendation of the CVO Conferences for checking corruption and for strengthening the vigilance machinery in PSUs include :

- deputation of Inspector level officers of the Central Police Organizations to the vigilance units of PSUs;
- appointment of CVOs and second level functionaries in the vigilance set up on deputation to the PSUs;
- allowing access to CVOs' vigilance sensitive information and records;

- ensuring minimum tenure of 3 years for vigilance officials in the PSUs;
- providing for consultation with CVOs in the wake of transfer and posting of vigilance staff;
- according status equivalent to Functional Director to the CVO of the level of Joint Secretary to the Government of India and above;
- Undertaking training programmes on vigilance matters for different level of officials.

House Rent Allowance

2463. SHRI SADASHIVRAO DADOBHA MANDLIK : Will the Minister of FINANCE be pleased to state:

- (a) whether the spouse of the allottee of Government accommodation is not entitled to draw HRA in case the husband and wife both are Government servants;
- (b) if so, the justification thereof;
- (c) whether the Government propose to change its policy; and
- (d) if so, the time by which HRA is likely to be provided to the spouse of the allottee of Government accommodation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (d) A Central Government employee, who is the spouse of another serving Central Government employee and has been allotted Government accommodation, is not entitled to House Rent Allowance as he/she does not incur any expenditure towards hiring of accommodation. There is no proposal under consideration to change this policy.

Neyveli Thermal Power Station

2464. DR. SANJAY SINH : Will the Minister of COAL be pleased to state:

- (a) whether Neyveli Lignite Corporation had awarded the main plant package order for Neyveli Thermal Power Station to "Ansaldo" an Italian multi-national company instead of Bharat Heavy Electricals Ltd.; and
- (b) if so, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No, Sir.

- (b) Does not arise.

Import of Onion

2465. SHRI A.C. JOS : Will the Minister of COMMERCE be pleased to state :

- (a) whether the Union Government have decided to import onion through National Agricultural Cooperative Markets Federation (NAFED) recently; and

- (b) if so, the details of onion imported from various countries to India during the last six months?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

- (b) Does not arise.

Industrial Growth Centre at Raichur

2466. SHRI H.G. RAMULU : Will the Minister of INDUSTRY be pleased to state:

- (a) the amount so far released by the Government for the creation of infrastructure in the Industrial Growth Centre at Raichur in Karnataka;
- (b) whether the Government are aware that the funds sanctioned to the above Centre were transferred to some other Industrial Growth Centre in Karnataka;
- (c) if so, the reasons therefor; and
- (d) the steps taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) The Central Government has released Rs. 680 lakhs, for the Raichur growth centre upto 30th April, 1998. The State Government has spent an amount of Rs. 964 lakhs approximately for development of infrastructure in this growth centre. The State Government has thus spent much more than the amount released by the Central Government. Therefore, there is no diversion of Central funds to other industrial growth centres in Karnataka.

Package for Jammu and Kashmir

2467. SHRI CHAMAN LAL GUPTA : Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government had earlier announced a package for Jammu and Kashmir in which a loan upto Rs. 50 thousand crores was to be remitted;
- (b) if so, whether this includes loan provided to agriculture sector also;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government propose to include agriculture loans also in the package; and
- (e) if so, the time by which it is likely to be announced?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No, Sir. However, the Government had announced a scheme known as "Debt Relief Scheme for the borrowers in the State of Jammu and Kashmir" to all scheduled commercial banks/financial institutions on 26th

May, 1997 by which the banks/financial institutions may write off the outstanding loans and interest of all borrowers, in the tourism, transport, small scale industry and trade sector in the State of Jammu & Kashmir whose original borrowings were less than or upto Rs. 50,000/- in each case.

(b) to (d) This scheme does not cover loans provided to Agricultural Sector. Further, inclusion of Agricultural Loans has not been agreed to as any "across the board" waiver of such loans would adversely affect the recovery climate and capacity of rural credit institutions to recycle funds.

(e) Does not arise.

Cases Against I.T. Evaders

2468. DR. ASIM BALA : Will the Minister of FINANCE be pleased to state:

(a) the number of cases against income-tax evaders have been filed till date;

(b) the number of persons found guilty and punished in this regard;

(c) whether the new plan proposed to be formulated by the Government to bring all tax evaders into the direct I.T.; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE): (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) The number of prosecutions launched u/s 276C(1) of the I.T. Act, 1961 for concealment of income were 210 in 1995-96, 291 in 1996-97 and 681 in 1997-98. The number of convictions obtained in respect of prosecutions u/s 276C were 10 in 1995-96, 7 in 1996-97 and 4 in 1997-98.

(c) and (d) Section 139(1) of the IT Act, 1961 was amended with effect from 1.4.97 to provide that a person, who at any time during the previous year fulfils any two of the following conditions, namely;

- (1) is in occupation of immovable property exceeding specified limits.
- (2) is the owner or the lessee of a motor vehicle.
- (3) is a subscriber to a telephone.
- (4) has incurred expenditure on travel to any foreign country for himself or any other person shall furnish a return of income.

In the Finance (No.2) Bill, 1998 the above scheme is proposed to be extended to cover credit card holdings and

membership of a club having entrance fee of more than Rs. 25,000. Any person who fulfils any one of the above six conditions shall be liable to file a return of income. These new provisions are expected to substantially enhance the number of tax-payers.

Use of Coal Royalty

2469. SHRI NARESH PUGLIA : Will the Minister of COAL be please to state:

(a) whether there are persistent demand that part of coal royalty given to State Governments should be spent on the development of the concerned affected districts;

(b) if so, whether the Government of Maharashtra has not spent even a single penny on the development of Chandrapur and Nagpur Districts where coal mines exist; and

(c) if so, the steps the Union Government propose to take in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (c) Royalty on coal is a source of revenue for the State Government. The proceeds from royalty is credited to the Consolidated Fund of the State Government and any appropriation from such funds can be authorised by the State Legislature. Therefore any amount to be spent by the State Government from the proceeds of royalty on coal in the affected area depends on the decision of the State Government and the State Legislature. The Mines and Minerals (Regulation and Development) Act, 1957 provides for payment of royalty by the lessee to the lessor State Government but does not prescribe the manner of utilisation of the royalty proceeds. The Central Government, therefore, have no authority to intervene in this matter.

Tax Exemptions to VAC Trust

2470. DR. SUBRAMANIAN SWAMY : Will the Minister of FINANCE be pleased to state:

(a) whether a trust by name Venkatachalapathi Anna Chatram (VAC) Trust of Thanjavur District, Tamil Nadu enjoys tax exemptions under the category of public trusts devoted to religious charitable work;

(b) if so, the details of the Trust and the names of trustees;

(c) whether the Trust has filed income tax returns to qualify for the tax exemption; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE): (SHRI KADAMBUR M.R. JANARATHANAN) : (a) The trust had

been registered as an institution for public and charitable purposes and notified for exemption from income tax u/s 10(23C) (v) upto the assessment year 1991-92.

(b) The trust was created on 16-10-1866 by a written deed and it is a hereditary trust. The names of the trustees are G. Balakrishna Mudaliar, Sadagopa Mudaliar St. and Mannargudi.

(c) and (d) Returns of income were filed by the trust upto the assessment year 1992-93.

[Translation]

Rehabilitation of Textile Workers

2471. SHRI RAMDAS ATHAWALE:
SHRI DILEEP SANGHANI:
SHRI RATILAL KALIDAS VARMA:

Will the Minister of TEXTILES be pleased to state:

(a) the steps taken by the Government to rehabilitate the workers rendered jobless due to closure of textile mills in the country, particularly in Maharashtra and Gujarat;

(b) the details of the measures taken or proposed to be taken by the Government to make easy the functioning of the textile industry and to provide more facilities to this industry;

(c) whether the Union Government have extended any financial assistance to the State Governments for the purpose;

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

(e) whether the Government of Gujarat has submitted any request for rehabilitation of the displaced textile workers; and

(f) if so, the action taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Government introduced the Textile Workers Rehabilitation Fund Scheme (TWRFS) to provide interim relief to workers rendered jobless due to permanent/partial closure of mills.

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

(c) and (d) Central Government has not provided any funds to the State Governments.

(e) and (f) Ministry of Industry have received two proposals from the Government of Gujarat for assistance from the National Renewal Fund (NRF) for restructuring

of the Gujarat State Textile Corporation Ltd. and Area Regeneration Scheme for closed textile mills, under liquidation. The Area Regeneration Scheme envisages measures including taking over of 19 closed textile mills through a State Government Ordinance; payment of legal dues of employees; together with assets restructuring and promotion of local enterprise; retraining of jobless employees; utilisation of assets of closed mills, etc.

The amount of assistance sought from the NRF for the above two proposals is Rs. 96.83 crores and Rs. 168.37 crores respectively. Assistance from NRF is available only for Voluntary Retirement Scheme in Central Public Sector Enterprises and Schemes for counselling, retraining and redeployment of rationalised workers.

Tourist Circuits in Madhya Pradesh

2472. SHRI KANTILAL BHURIA : Will the Minister of TOURISM be pleased to state:

(a) whether two tourist routes i.e. Indore - Onkareshwar - Maheshwar - Mandu - Ujjain and Gwalior - Shivpuri - Orchha - Khajuraho routes in Madhya Pradesh have been prescribed by the Government;

(b) if so, whether the Government propose to extend the tourist route Indore - Onkareshwar - Maheshwar - Mandu - Ujjain to Ratlam Mandasour to promote tourism;

(c) if so, whether the Madhya Pradesh Government has sent a proposal to the Union Government seeking additional financial assistance for this purpose; and

(d) if so, the details thereof and the time by which it is likely to be sanctioned?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) Yes Sir. The following circuits in Madhya Pradesh have been identified for intensive development with the efforts of Central and State Governments and the private sector.

(i) Bhopal-Sanchi-Indore-Ujjain-Maheshwar-Onkareshwar-Mandu.

(ii) Gwalior-Shivpuri-Orchha-Khajuraho.

(b) No Sir.

(c) and (d) Does not arise.

[English]

Gratuity Ceiling

2473. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state:

(a) whether Fifth Pay Commission have recommended that gratuity payment should not be subject to any ceiling;

(b) whether the Government propose to raise the gratuity ceiling;

(c) if so, whether the Government have any proposal to amend the Gratuity (Amendment) Bill, 1997, pending in Rajya Sabha; and

(d) if so, details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The Fifth Central Pay Commission had recommended removal of ceiling on gratuity. The Government have, however, decided to increase the ceiling on gratuity from Rs. 2.5 lakhs to Rs. 3.5 lakhs.

(c) and (d) The Government have decided to raise the ceiling on maximum amount of gratuity payable under the Payment of Gratuity Act, 1972 to Rs. 3.50 lakhs w.e.f. 24.9.1997.

Compulsory use of Jute Bags

2474. SHRI ANIL BASU:

KUMARI MAMATA BANERJEE:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have received any proposal to extend the time for compulsory use of jute bags;

(b) if so, the action taken on such proposal;

(c) whether Government have received any representation from the Jute Laminators Association, Calcutta;

(d) if so, the details thereof; and

(e) the action taken by the Government thereon so far?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) Yes Sir, the Government have received proposals to extend the time for Compulsory use of Jute bags. The Government have also received the representation of Jute Laminators Association urging inter-alia, for extension of the reservation order for Urea by five to ten years with increase in the percentage of reservation to 100%, ensuring strict compliance by all fertilizer companies, unsuitability of laminated jute bags for use for any other purpose except for packing Urea, apprehended closure of their units if reservation order is diluted, re-imburement of higher cost of jute bags for packing urea under retention pricing schemes, and reservation of manufacture of such bags for small scale sectors. The Standing Advisory Committee have recently considered in detail the various pros & cons of the evidence and views expressed by different organisations and representation of various Ministries/Depts. in its meetings held on 30.4.98, 15.5.98 and 2.6.98 for putting its recommendations to the Government.

[Translation]

Construction of Yatri Niwas in Bihar

2475. SHRI PRABHASH CHANDRA TIWARI : Will the Minister of TOURISM be pleased to state:

(a) the details of proposals received from Bihar for construction of Yatri Niwas in the State;

(b) the funds allocated to the State during 1997-98 and 1998-99 for the purpose; and

(c) the places where the Yatri Niwas proposed to be constructed in the State?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) No proposal has been received from the State Government during 1997-98 for the construction of Yatri Niwas in the State.

(b) During the 1997-98 the Ministry of Tourism sanctioned Rs. 233.07 lakhs for the implementation of 11 tourism projects in the State. The project proposals for 1998-99 have not been prioritized.

(c) The Ministry of Tourism provides financial assistance to State Governments on the basis of specific project proposals received from them and availability of funds.

[English]

Chinese Ties with India to boost Tourism

2476. SHRI RAMPAL SINGH : Will the Minister of TOURISM be pleased to state:

(a) whether China has shown keenness to boost tourism with India;

(b) whether any concrete proposals in this regard have been worked out by both China and India;

(c) if so, the details thereof;

(d) whether any Indian delegation visited China in this regard; and

(e) if so, to what extent both India and China have reached at an agreement for boosting the tourism trade between the two countries?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) and (e) The then Minister of State for Tourism along with the representatives of travel trade visited China in October 1995 to familiarise themselves with the tourism potential of the Chinese market. However, no formal agreement has been reached in this regard.

Foreign Tours by CM

2477. KUMARI MAMATA BANERJEE : Will the Minister of FINANCE be pleased to state:

(a) the amount including foreign exchange spent for the purpose of visit by the Chief Ministers of different States during the period 1980-97, State-wise; and

(b) the main objectives of these foreign tours by the Chief Ministers?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The information is being collected and will be laid on the Table of the House.

World Bank help to Allahabad Bank

2478. SHRI D.S. AHIRE : Will the Minister of FINANCE be pleased to state:

(a) whether the Allahabad Bank has signed a contract for financial assistance from the World Bank under the bank's modernisation, institutional programmes and installation of 14 ATMs in the recent past;

(b) if so, the details thereof, and

(d) the loan taken by the said bank from the World Bank during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) Allahabad Bank has reported that it is one of the participating banks under the Modernisation and Institutional Development Loan (MIDL) Programme of the World Bank. The loan amount for Allahabad Bank under the above programme, inter-alia, entails procurement of 16 Automated Teller Machines (ATMs) of which 2 have already been installed.

(c) The total loan taken so far by Allahabad Bank under the above programme is US \$ 0.80 million. Year-wise break-up of the loan is as under:-

Year	Loan amount
1996-97	US \$ 0.40 million
1997-98	US \$ 0.40 million

[Translation]

Living Standard of Coal Workers

2479. SHRI HARIKEWAL PRASAD : Will the Minister of COAL be pleased to state:

(a) whether the Government have formulated any scheme for improving the living standard of labourers working in coal mines; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) For improving the standard of living of labourers working in various Coalfields, CIL and its subsidiaries have formulated a number of schemes. Besides the various statutory welfare activities provided to the coal workers, following facilities are being extended to the employees and their families since nationalisation.

(i) Housing Scheme : The total number of houses available at present is 3,95,942 with 64.08% housing satisfaction.

(ii) Water Supply : As against, only 2.27 lakhs population having access to potable water at the time of nationalisation, today 23.30 lakhs population have been covered under water supply scheme.

(iii) Medical Facilities : There are 86 Hospitals with 5846 beds, 434 dispensaries, 690 ambulances, 1778 Doctors including specialists in CIL and its subsidiaries to provide medical services to the employees.

(iv) Educational Facilities : There are 1346 Educational Institutions in CIL & its subsidiaries functioning as against 287 at the time of nationalisation.

(v) Banking Facilities : Employees of CIL and its subsidiaries draw their salaries through 244 Banks and Extension Counters.

(vi) Tree Plantation : To keep environment free from pollution and improvement in ecological conditions, the CIL have been undertaking the work of development of Green Belts every year. During the year 1997-98 the tree plantation was 78 lakhs.

Assistance to Gujarat by IDBI

2480. SHRI GORDHANBHAI JADAVBHAI JAVIA : Will the Minister of FINANCE be pleased to state:

(a) the number of applications received by the IDBI from entrepreneurs of Gujarat during the last three years;

(b) the number of applications sanctioned out of these during the aforesaid period; and

(c) the unit-wise details of the financial assistance provided by the IDBI during the said period, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) The

number of applications received by Industrial Development Bank of India (IDBI) from entrepreneurs of Gujarat and number of applications sanctioned during the last three years is as under:

Year	Applications received	Applications Sanctioned
1995-96	168	107
1996-97	140	104
1997-98	172	126

(c) The details of assistance disbursed by IDBI to units in the state of Gujarat during, 1995-96, 1996-97 and 1997-98 are as under;

(Rs. Crore)

Year	Amount Disbursed)
1995-96	1634.94
1996-97	1866.89
1997-98	3155.03

in accordance with the practices and usages customary among banks and in conformity with provisions of statutes governing public sector banks and financial institutions as also the provisions of Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, the information relating to individual constituents can not be divulged.

Salt Industry

2481. SHRI A. VENKATESH NAIK:
SHRI ASHOK NAMDEORAO MOHOL:

Will the Minister of INDUSTRY be pleased to state:

(a) the quantity of salt produced in the country during each year of Eighth Plan period, State-wise;

(b) the measures adopted or proposed to be adopted by the Government for development of salt industry; and

(c) the facilities provided or proposed to be provided for development and expansion of salt industry in Maharashtra and Karnataka?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) The quantity of salt produced in the country during each calendar year of Eighth Plan period, state-wise is given in the statement enclosed.

(b) A four pronged strategy is adopted for the development of salt industry;

Technical Assistance :

Technical assistance is provided for identifying suitable saline tracts for the development of salt works, designing of salt works, quality control and monitoring.

Developmental Assistance :

Financial assistance is provided from salt cess proceeds for various developmental schemes which include construction of brine supply channels, roads, drinking water facilities, labour rest sheds, medical facilities, recreation facilities, education facilities, labour housing units etc.

Assistance for Natural Calamities :

Government extends ex-gratia assistance to the salt works damaged on account of floods, storms and other natural calamities.

Development Loan :

There is a scheme for grant of development loan for the salt manufacturers who want such loan for rehabilitation of their works.

(c) Government has provided technical assistance for designing of salt works and quality control of salt as well as financial assistance for the construction of roads, protective bunds, school buildings, drinking water facilities and labour rest sheds to facilitate development and expansion of salt industry in the states of Maharashtra and Karnataka.

Statement

State-wise Common Salt Production

(Figures in thousand tonnes)

S. No.	STATE/ U.T.	SALT PRODUCTION (Calendar year wise)				
		1992	1993	1994	1995	1996
1.	Rajasthan	1159.6	1242.6	1096.7	1526.2	1131.4
2.	Gujarat	9123.9	9313.7	8681.4	8824.4	10403.5
3.	Maharashtra	255.1	252.2	185.8	224.3	245.9
4.	Karnataka	25.7	22.5	21.9	17.2	18.9
5.	Goa	-	-	2.2	1.7	2.5
6.	Tamil Nadu	2541.7	2465.5	2010.9	1738.8	2283.6
7.	Andhra Pradesh	393.2	337.8	262.0	139.9	276.4
8.	Orissa	44.2	53.5	50.6	26.5	47.0
9.	West Bengal	4.8	19.0	14.2	19.3	21.7
10.	Himachal Pradesh	3.1	3.1	2.1	1.9	2.5
11.	Diu & Daman	21.5	17.8	16.4	23.8	32.7
TOTAL		13552.8	13727.8	12344.2	12544.0	14466.1

[Translation]

Anti-Dumping Duty on Cotton Cloth

2482. SHRI DADA BABURAO PARANJPE :
SHRI SHANKER PRASAD JAISWAL :

Will the Minister of COMMERCE be pleased to state:

(a) whether European community has imposed anti-dumping duty temporarily on the import of unbleached auburn cotton and bad linen cloth from India, China, Pakistan and three other countries; and

(b) if so, the reaction of the Government in this regard?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) European community has imposed Anti-dumping duty on imports of cotton type bed linen originating in Egypt, India and Pakistan and provisional Anti-dumping duty on imports of certain unbleached cotton fabrics originating in the People's Republic of China, Egypt, India, Indonesia, Pakistan and Turkey.

(b) The Government of India has taken up the matter with European Commission through its Embassy at Brussels and also with Members of the European Union individually through its Missions.

[English]

Malpractices In Insurance Companies

2483. SHRI ANNASHEB M.K. PATIL : Will the Minister of FINANCE be pleased to state:

(a) the details of cases of corruption, malpractices and scams detected in the offices of the Insurance Companies located in U.P. and Bihar by the Vigilance Department during the last three years; and

(b) the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) : (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) L.I.C., G.I.C. and its four subsidiaries have their own Vigilance Departments headed by Chief Vigilance Officers. Disciplinary action has been initiated against 302 officials by the LIC and 141 officials by the GIC and its four subsidiaries during the last three years in Uttar Pradesh and Bihar. These cases pertain to irregular settlement of false claims, manipulation and misappropriation of funds, ante-dating insurance over notes, insurance of non-existent lives etc. LIC has already imposed penalties against 95 officials and exonerated 28 officials. In the rest of the cases, the proceedings are still in progress. In case of GIC and its four subsidiaries, major or minor penalties have been

awarded to 106 officials; enquiries are still in progress in 15 cases; criminal prosecution has been initiated in 2 cases and 18 officials have been exonerated.

Recovery of Bank Loans Provided to Agricultural Sector

2484. DR. RAMKRISHNA KUSMARIA : Will the Minister of FINANCE be pleased to state:

(a) whether there has been a decline in the recovery of bank loans given to agricultural sector during 1996 and 1997-98;

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

(c) the steps taken or proposed to be taken by the Government to improve the process of recovery?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) to (c) The information is being collected and, to the extent available, will be laid on the Table of the House.

Recommendations of Cons India HR Services Private Ltd.

2485. DR. Y.S. RAJA SEKARA REDDY : Will the Minister of FINANCE be pleased to state:

(a) whether according to the report of Cons India HR Services Private Limited which was asked by the Reserve Bank of India to examine the organisational structure of the Peerless General Finance and Investment Company Limited, Calcutta (PGFICL) three fourth of the top management officers of the country's largest Non-Banking Finance Companies in the country are simply not up to the mark;

(b) if so, the suggestions/recommendations made by the Cons India; and

(c) the steps taken by RBI to get these recommendations implemented by the (PGFICL)?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) According to Reserve Bank of India (RBI) they did not ask Cons India HR Services Private Ltd. to examine the organisational structure of the peerless General Finance and Investment Company Limited, Calcutta.

(b) and (c) Do not arise.

Industrial Policy for Chandigarh

2486. SHRI SATYA PAL JAIN : Will the Minister of INDUSTRY be pleased to state:

- (a) whether the Government have formulated any industrial policy for the development of industry in the Union Territory of Chandigarh;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the time by which the Government are likely to announce/implement such policy?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) The Industrial Policy of Government of India, which aims at promotion and proper development of industries, is applicable to the entire country including the Union Territory of Chandigarh. The State Governments/ Union Territories are free to frame their own industrial policy.

Trade Relations with Israel

2487. SHRI RANJIB BISWAL : Will the Minister of COMMERCE be please to state:

- (a) whether the Government have established trade relations with Israel;
- (b) if so, the areas in which Indo-Israel trade has been established;
- (c) the growth rate of India's export to that country and vice-versa during the last three years; and
- (d) the steps taken to expand Indo-Israel trade relations?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) Our main exports to Israel are gems and jewellery, cotton and manmade yarn/textiles, cashew, coffee, organic/inorganic/basic/fine chemicals, drugs and pharmaceuticals, engineering goods, handicrafts, etc. Our main imports from Israel are fertilizers, pearls, precious stones, organic/inorganic chemicals, machinery, project goods, electronic goods, petroleum products, etc.

(c) The growth rate in bilateral trade during the last 3 years has been as under :-

EXPORTS FROM INDIA		IMPORTS BY INDIA	
1995-96	53.5%	1995-96	(-) 3.5%
1996-97	3.6%	1996-97	21.9%
1997-98	62.9%	1997-98	26.9%

(d) The signing of the bilateral agreement on trade and economic cooperation in December, 1994, the

holding of the First meeting of India-Israel Joint Trade and Economic Committee in January, 1996, exchange of delegations, participation in fairs, formation of India-Israel business Alliance, facilitating direct business level contacts, etc. have assisted in the expansion of bilateral trade.

Suggestions by FIED

2488. COL. SONA RAM CHOUDHARY : Will the Minister of COMMERCE be pleased to state:

- (a) whether the Government have asked the Federation of Indian Export Organisation to make a study to suggest streamlining and simplification of policy and procedure in respect of exports;
- (b) if so, the details thereof;
- (c) whether the Government have received the recommendations of the FIED;
- (d) if so, the details thereof; and
- (e) the actions taken by the Government thereon?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (e) Based on the feedback received from its members through representations, Open House Meets, etc., the Federation of Indian Export Organisations (FIEO) annually submits a paper to Government, giving various suggestions for boosting exports. This year also, the Federation had submitted some suggestions on Exim Policy and Procedures. The inputs received from FIEO were duly considered while making changes in the Exim Policy this year.

Helicopter Services for Tourist Places in Bihar

2489. SHRI PRABHUNATH SINGH : Will the Minister of TOURISM be pleased to state:

(a) whether Government plan to provide helicopter services to connect Nalanda, Bihar Sharif, Pawanpuri and Bodhgaya with major cities in order to make the journey of tourists comfortable:

(b) if so, the details thereof and the amount likely to be increased in the exchequer by introducing the helicopter services; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) No, Sir.

(b) Does not arise.

(c) Helicopter services are provided by Pawan Hans Helicopters Ltd. or by private operators depending upon traffic demand and commercial criteria.

**Promotion of Tourism in Jammu
and Kashmir**

2490. VAIDYA VISHNU DATT :
SHRI SUSHIL CHANDRA VERMA :

Will the Minister of TOURISM be pleased to state :

(a) the steps being taken by the Government for promotion of tourism in J&K State, especially in Jammu region;

(b) whether the Government propose to allocate special funds to the Jammu region for upliftment of tourism;

(c) if so, whether there is any proposal under consideration of the Government to attract N.R.I.'s/ Foreign Investors in promotion of tourism in J&K;

(d) the number of foreign tourists visited India during the last three years;

(e) whether any action has been taken to slash the charges in five star hotels of J&K and Delhi; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) The Ministry of Tourism provides financial assistance to State Governments/U.T. Administrations on the basis of specific proposals received and availability of funds. The measures to restore Tourism in J&K includes renovation of tourist attractions and infrastructure facilities, revival of tourism industry through relief measures including waiving off of borrowings upto Rs 50,000.

(b) This Ministry has sanctioned financial assistance of Rs. 480.91 lakhs during the last three years to Jammu and Kashmir for the implementation of projects which included projects in Jammu Region such as Tourist accommodation at Katra, upgradation of Tourist Reception Centre at Jammu and a Yatri Niwas at Patnitop.

(c) Tourism has been declared as a priority sector for foreign investment and as per guidelines foreign equity participation upto 51% is allowed under the automatic route for any project in the tourist sector. NRI's are allowed 100% equity. However, there is no specific proposal under the consideration of the Government in respect of J&K.

(d) The foreign tourist arrivals in India during the last three years were as given below:

Year	Number
1995	21,23,683
1996	22,87,860
1997	23,74,094

(e) and (f) The Government does not control tariffs of the 5-Star hotels in Jammu & Kashmir, Delhi or anywhere else. These tariffs are fixed by the hoteliers themselves keeping in view the existing demand and supply situation.

[Translation]

Discontinuation of Circulation of Notes

2491. SHRI SHIVRAJ SINGH CHAUHAN :
SHRI DATTA MEGHE :

Will the Minister of FINANCE be pleased the state:

(a) whether the Government have decided to discontinue the circulation of currency notes of rupees 500 denominations;

(b) if so, whether the Government have ordered for dumping and destroying of currency notes of Rs. 500/- denomination all over the country;

(c) if so, whether in compliance of these orders, the currency chests of Reserve Bank of India have started setting these notes ablaze after dumping them;

(d) if so, the details thereof; and

(e) the reasons for setting them ablaze?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No, sir.

(b) to (e) Does not arise.

[English]

Uniform Rate of Sales Tax

2492. SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to bring uniform rate of sales tax;

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

(c) whether there is also any proposal to phase out Central sales tax by the year 2000; and

(d) if so, the reactions of different State Governments on these proposals?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) As sales tax is a State subject, it is for the States to take a decision in this regard.

(b) to (d) Do not arise.

Simplification of Import/Export Policy

2493. SHRI K.H. MUNIYAPPA : Will the Minister of COMMERCE be pleased to state:

- (a) whether the Government have recently simplified the export-import norms;
- (b) if so, the salient features thereof; and
- (c) the manner in which this simplification would help the exporters?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) As part of the revisions/amendments in the EXIM Policy introduced with effect from 13th April, 1998, a number of simplifications in the export-import procedures have been carried out.

(b) The salient features of the EXIM Policy are given in the Highlights of the EXIM Policy, copies of which are already available in the Parliament Library.

(c) The simplifications in the export-import procedures introduced in this year's EXIM Policy are expected to minimise transaction costs and delays, besides imparting greater transparency, freedom and flexibility in operations to the exporting community.

[Translation]

Units of National Textile Corporation

2494. SHRI CHINMAYANAND SWAMI :
DR. LAXMINARAYAN PANDEY :
SHRI SHANKER PRASAD JAISWAL :
SHRI C.P. RADHAKRISHNAN :

Will the Minister of TEXTILES be pleased to state:

(a) the number of units of National Textile Corporation functioning in the country as on March, 1998, State-wise;

(b) the number of units lying closed as on date, State-wise;

(c) the production of textile in the said units during 1997, and

(d) the profit earned/loss suffered by the said functioning units during the above period, State-wise?

THE MINISTER OF TEXTILE (SHRI KASHIRAM RANA) : (a) The State-wise breakup of NTC mills numbering 119 indicating their status of operation during March, 1998 is enclosed at Statement-I.

(b) No mill of NTC has been closed except Ajudhia Textile Mill which has been closed as per Supreme Court orders.

(c) and (d) The details of cloth and yarn produced and profit/loss incurred by these units during 1997-98 are enclosed as Statement-II.

Statement-I

Statement showing position of NTC Mills, State-wise with no activities, with partial activities and full activities during March'98

S. No.	Name of the State	Number of Mills with		
		No Activities	Partial Activities	Full Activities
1.	Punjab	-	4	-
2.	Rajasthan	-	4	-
3.	Madhya Pradesh	-	7	-
4.	Uttar Pradesh	8	3	-
5.	Maharashtra	-	33	2
6.	Gujarat	9	2	-
7.	Andhra Pradesh	1	5	-
8.	Karnataka	1	3	-
9.	Kerala	-	-	5
10.	Pondicherry	-	-	3
11.	Tamil Nadu	-	-	13
12.	Assam	-	1	-
13.	Orissa	-	1	-
14.	Bihar	1	1	-
15.	West Bengal	7	5	-
TOTAL		27	69	23

Statement-II

State wise net profit/loss and production of Market Yarn & Cloth during 1997-98

Name	Net Profit Loss 1997-98 (Rs lakhs)	PRODUCTION		
		Market yarn (own) (Lac./Kg.)	Cloth (own) (Lac./Mtrs.)	
1	2	3	4	5
Punjab				
1	Dayalbagh Mills	-469.85	8.62	-
2	Kharar Mills	-213.51	7.00	-
3	Panipat Woollen	-546.83	-	-
4	Suraj Textile Mills	-278.37	11.84	-
Rajasthan				
5	Edward Mills	-339.20	.25	-
6	Mahalaxmi Mills	-308.66	-	-

1	2	3	4	5	1	2	3	4	5
7	Udaipur Mills	-244.75	-	-	39	Kohinoor No.1)	-977.04	.06	3.11
8	Shree Bijay Cotton	-287.12	.10	-	40	Kohinoor No.2)			
Madhya Pradesh					41	Kohinoor No.3)			
9	Swadeshi Textile Mills	-745.91	1.12	-	42	Podar Mills	-722.78	.05	8.48
10	Indore Malwa Mills	-1252.15	4.78	-	43	Sree Sitaram Mills	-440.96	-	
11	Hira Mills	-810.37	4.77	-	44	R.B.B.A. Mills	-503.66	-	31.07
12	Bengal Nagpur Mills	-1300.27	1.43	15.82	45	Apollo Mills	-781.72	.51	22.24
13	New Bhopal Text. Mills	-833.07	4.52	7.09	46	Bharat Mills	-763.58	.09	10.49
14	Kalyanmal Mills	-1173.63	.74	-	47	Mumbai Mills	-1036.03	.12	.29
15	Burhanpur Tapti Mills	-897.45	1.57	30.50	48	Finlay Mills	-1011.68	-	25.34
Uttar Pradesh					49	Goldmohur Mills	-747.23	.09	14.37
16	Bijli Cotton Mills	-242.19	3.36	-	50	New City Mills	-603.88	8.79	59.88
17	Swadeshi Naini	-1009.82	-	-	51	Barshi Mills	-2.25	4.70	
18	Swadeshi, Mau. Bhan.	-285.60	9.70	-	52	Aurangabad Mills	-156.09	.09	
19	Muir Mills	-1346.33	-	-	53	Chalisgaon Mills	-236.20	.77	20.02
20	New Victoria	-1331.50	-	-	54	Nanded Mills	-445.45	.48	13.54
21	Swadeshi Kanpur	-1439.71	-	-	55	Digvijay Mills	-1269.10	.22	.59
22	Laxmi Rattan	-1134.31	-	-	56	Jupiter Mills	-1049.39	-	.59
23	Atherton	-767.46	-	-	57	New Hind Mills	-886.46	.02	.49
24	Lord Krishna	-578.10	-	-	58	Elphistone Mills	-807.59	-	
25	Sri Vikram	-297.43	-	-	59	Madhusudan Mills	-530.32	-	
26	Raebrali Text Mills	-273.69	-	-	60	Dhule Mills	-445.83	-	3.70
Maharashtra					61	Podar Processors	-589.41	-	
27	Indu No.1	-1351.74	.04	32.17	Gujarat				
28	Indu No.2	-1140.67	-	-	62	Rajkot	-280.78	-	
29	Indu No.3 ()	-1409.71	-	11.59	63	Mahalaxmi	-914.03	-	
30	Indu No.4 ()		-		64	Petlad	-397.99	-	
31	Indu No.5	-805.80	-	23.84	65	Ahmedabad Jupiter	-1073.17	-	
32	Indu No.6	-694.56	-	-	66	Jehangir Tex. Mills	-1288.09	-	
33	Model Mills	-1495.70	-	2.27	67	Viramagam	-658.92	-	
34	R.S.R.G Mills	-470.67	.10	-	68	Himadri Mills	-694.26	-	
35	Savatram Mills	-315.54	-	2.77	69	New Manakchowk	-731.73	.90	
36	Vidharbha Mills	-490.42	-	.84	70	Ahmd N.Text	-1056.80	1.37	
37	Tata Mills	-1129.74	-	7.56	71	Rajnagar-1 ()	-1182.67	1.54	
38	Jam Mfg Mills	-622.06	-	1.91	72	Rajnagar-2 ()			

1	2	3	4	5
Andhra Pradesh				
73	Azamjahi Mills	-454.31	-	-
74	Anantpur	-237.05	.09	-
75	Natraj	-337.48	-	-
76	Netha	-163.24	-	-
77	Adoni	-137.15	-	-
78	Tripathi	-299.53	-	-
Karnataka				
79	MSK Mills	-723.91	-	-
80	Minerva Mills	-1042.97	2.84	40.70
81	Mysore Mills	613.88	-	-
82	Sree Yallamma	-386.67	1.26	-
Kerala				
83	Algappa Mills	-292.67	20.45	-
84	Cannanore Mills, Can	-67.83	15.85	-
85	Vijay Mohini	-169.87	11.98	-
86	Parvathi	-707.68	4.67	53.50
87	Kerala Laxmi	-316.22	17.10	-
Tamil Nadu				
88	Omparasakthi	-103.83	18.23	-
89	Cambodia	33.41	21.11	-
90	Pankaja	-34.36	15.62	-
91	Pioneer	35.35	13.15	-
92	Balaramavarma	-146.04	10.73	-
93	Kaleeswarar - B	30.00	18.93	-
94	Coimbatore Murugan	-23.75	6.31	57.26
95	Kishnaveni	-110.31	12.75	-
96	Sri Rangavilas	20.53	25.90	-
97	Kaleeswarar - A	-542.76	12.51	-
98	C.S & W	-842.53	21.96	-
99	Somasundaram	-97.25	5.70	22.78
100	Sri Sarada	-108.24	10.19	19.87
Pondicherry				
101	Swadeshi Cotton	-466.59	9.19	-
102	Sri Bharthi	-388.96	6.48	6.10

1	2	3	4	5
103	Cannanore Mills, Mahe	-130.81	16.37	-
Assam				
104	Associated Industries	-244.43	-	-
Bihar				
105	Gaya Cotton Mills	-385.75	-	-
106	Bihar Co-op Mills	-240.51	-	-
Orissa				
107	Orissa Cotton Mills	-343.39	-	-
West Bengal				
108	Bengal Fine Mill No.1	-376.55	-	-
109	Arati Cotton Mills	-240.30	.15	-
110	Sodepur Cotton Mills	-154.74	-	-
111	Bengal Laxmi Mills	-453.91	-	-
112	Rampooria Cotton Mills	548.42	-	-
113	Laxminarayan	309.96	-	-
114	Bengal Fine-2	-154.15	-	-
115	Bengal Text.Mills	-332.82	-	-
116	Bangasari Mills	-225.26	-	-
117	Sh. Mahalaxmi Mills	-479.36	-	-
118	Jyoti Mills	-190.86	-	-
119	Central Cotton Mills	-623.82	-	-
TOTAL		-64749.81	379.26	550.77

[English]

Tobacco Growers in Karnataka

2495. SHRI K.O. KONDAIAH : Will the Minister of COMMERCE be pleased to state:

(a) the number of registered tobacco growers in Karnataka during 1996-97 and 1997-98;

(b) the estimated unauthorised cultivators in Karnataka during 1997-98;

(c) the quantity of tobacco being grown unauthorisedly in Karnataka by these unauthorised cultivators;

(d) the steps taken by the Tobacco Board to stop unauthorised cultivation of tobacco in Karnataka;

(e) whether proper marketing outlets have been provided to the traders in Karnataka; and

(f) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HAGDE) : (a) Number of growers registered in Karnataka during 1996-97 and 1997-98 are as follows:-

1996-97	1997-98
14655	18366

(b) to (d) The total authorised quantity of FCV tobacco for Karnataka for the year 1997-98 was 31.20 Million Kgs. against which the approximate quantity sold on the auction platforms in Karnataka was about 45.25 Million Kgs. The excess quantity of tobacco permitted to be sold from registered growers was to the extent of about 3.55 Million Kgs. and the rest was from the unregistered growers. In order to enable the tobacco farmers to sell their tobacco produce on the auction platforms of the Tobacco Board, the operation of section 10 of the Tobacco Board Act, 1975 was suspended in the State of Karnataka for a period upto 31st January, 1998 vide this Ministry's notification dated 13th January, 1998.

Some of the steps taken by Tobacco Board to stop unauthorised cultivation of FCV tobacco in Karnataka are:

- The Board's production policy is widely publicised in all the leading newspapers besides broadcasting the same through A.I.R.
- The farmers who are not eligible for grant of registration (as per the criteria laid down by the Registration Committee) are advised not to take up tobacco cultivation through press and radio.
- Campaigns are organised at the village level to educate the growers on the World tobacco production situation and the need to adhere to production regulations and to plant tobacco in the authorised/registered areas only and not to authorisedly cultivate tobacco.
- Identifying the farmers constructing barns unauthorisedly/cultivating tobacco unauthorisedly and serving notices on them for such unauthorised activities and informing State Governments of the changes in the land use.

(e) and (f) Yes, Sir. Eight auction platforms have been established in the State of Karnataka for sale of tobacco.

World Bank Assistance for Drinking Water Projects in Maharashtra

2496. SHRI MADHAV RAO PATIL : Will the Minister of FINANCE be pleased to state:

(a) whether any proposal regarding World Bank assistance for drinking water projects in Maharashtra, particularly at Nasik, is under consideration of the Union Government;

(b) if so, the details thereof; and

(c) the present status of the proposal ?

The MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes. There are three proposals but none of them relate particularly to Nasik

(b) The three proposals are i) Maharashtra Water Supply & Sewerage Project Stage-II, costing Rs. 863 crores, ii) Bombay IV Middle Vaitarna Water Supply Project costing Rs. 570 crores, iii) Integrated Rural Water Supply and Environmental Sanitation Project for 11 districts of Maharashtra costing Rs. 900 crores.

(c) All the aforementioned three proposals have been posed to the World Bank.

SC/ST Employees in India Trade Promotion Organisation

2497. SHRI VIJAY SINGH SOY : Will the Minister of COMMERCE be pleased to state :

(a) the number and percentage of Scheduled Caste and Scheduled Tribe employees in India Trade Promotion Organisation, category-wise;

(b) the details of SC/ST employees promoted during the last three years, category-wise, and

(c) the details of the SC/ST employees of ITPO selected for foreign deputation during each of the last three years category-wise and the criteria adopted for their selection ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No. and percentage of SC/ST employees in ITPO category-wise is as follows:-

Group	No of SC Employees	% of SC	No. of ST Employees	% of ST
A	32	17.02	8	4.25
B	21	20.00	5	4.76
C	92	19.49	15	3.17
D	204	39.45	5	0.96

(b) SC/ST employees of ITPO promoted during the last 3 years, category wise:-

Group	1995		1996		1997	
	SC	ST	SC	ST	SC	ST
A	1	2	3	1	5	-
B	1	-	-	-	2	1
C	-	-	6	-	1	2
D	-	-	1	-	-	1

(c) The criteria for selection for overseas deputation comprise seniority-cumoverall merit of the employees. The nomination is made keeping in view the requirement and size of each event.

The details of SC/ST employees of ITPO sent on foreign deputation for organising participation in fairs/exhibitions abroad during the last three years are given below :-

Group	1995-96		1996-97		1997-98	
	SC	ST	SC	ST	SC	ST
A	6	2	11	3	7	2
B	3	-	-	2	1	1
C	-	-	-	-	-	-
D	-	-	-	-	-	-

Income Tax Settlement Commission

2498. SHRI JAGAT VIR SINGH DRONA : Will the Minister of FINANCE be pleased to state

(a) the aggregate amount of Income-tax and interest (if adjudicated at maximum rates) involved in the petitions which are pending, after admission, before the Income-tax Settlement Commission; and

(b) the number of cases and the aggregate amount of tax, interest and penalties involved in them, which are pending for over five years with the Income-tax Settlement Commission though no stay has been given by any court for further proceedings?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) On admission of an application for settlement, the entire tax on additional income declared before the Settlement Commission, becomes payable by the applicant within 35 days of the receipt of the admission order u/s 245 D(1) of the Income-tax Act. This tax, if not paid within the stipulated period of 35 days, is recovered by the Assessing Officer in Income-tax, Deptt. in accordance with the powers under the Income-tax Act, alongwith simple interest @ 15% per annum on the amount remaining unpaid from the date of expiry of the period of 35 days. Further tax/interest, if any, becomes payable only on passing of final order of settlement under Section 245D(4) of Income-tax Act. Thus, in respect of applications pending for final settlement after admission, the further tax/interest involved can be known only when final orders of settlement u/s 245D(4) are passed.

(b) 405 cases are pending (as on 1.5.1998) with the Settlement Commission, for more than five years, after admission. The tax/interest /penalty involved in these cases

will be known only when final orders of Settlement under Section 245D(4) are passed.

WTO Centre

2499. SHRI G. GANGA REDDY : Will the Minister of COMMERCE be pleased to state:

(a) whether Indian Institute of Foreign Trade propose to set up a World Trade Organisation Centre in order to study various aspects of the new international trade regime and establish a data base on latest trends;

(b) if so, the details thereof and the time by which it is likely to be set up;

(c) whether a similar organisation is also proposed to be set up to assist the hundred percent export- oriented units as a measure to boost the export; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) The proposed centre would be headed by an eminent expert in the field of international trade. The activities of the centre would be as follows:-

(i) To conduct research on specific policy related issues assigned by MOC from time to time.

(ii) To provide all necessary documents, research work relating to WTO negotiations.

(iii) To act as a storehouse and documentation centre for information/data pertaining to WTO related issues.

(iv) To conduct short term courses, orientation courses and awareness programmes for familiarising members of the business community with WTO related issues.

(v) To bring out publications and handbooks for use of trade and industry.

(vi) Any other task assigned by the Govt., relating to WTO matters.

The centre is expected to become operational during the year 1998-99.

(c) No, Sir.

(d) Does not arise.

Schemes by STC & MMTC

2500. DR. LAXMINARAYAN PANDEY : Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation and the Minerals and Metals Trading Corporation have formulated

certain schemes to promote and build export success for small and tiny industries;

(b) if so, the details thereof; and

(c) the assistance/facilities provided to these industries?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (c) While STC does not operate any specific scheme to promote and build export sector for small & tiny industries, MMTC in the area of minerals & ores, has formulated the following schemes to promote production and export:-

- mine owners are provided production and development incentives apart from basic price for the product. Under production incentive scheme, mine owners are encouraged to produce more and earn incentive on the entire quantity in case supply exceeds the base level which are revised from year to year based on the past performance.
- mine owners are also given incentives in relation to the quantity supplied under the "development incentive scheme" to encourage them in scientific development of their mines.
- MMTC also pays afforestation charges to the mine owners for plantation of tree and plants to maintain proper ecological balance in the mining areas.
- In order to ensure that mine owners' interests in export continues and they become globally competitive in the long run, the advantage of

exchange benefit is also shared with them from time to time.

- Wherever possible, MMTC encourage mine owners to supply material directly at the port so that they can avail the benefit of 80 HHC under the Income-tax Act for the local transportation element as well.
- MMTC also strives to provide export outlet and facilitate export of material surplus to domestic demand from mine owners who otherwise have no access to the global market or where withal to organise logistic support and arrange export independently.
- MMTC generate orders, help them in executing those order by providing assistance in preparation of documents, shipping arrangements and extending packing credit facilities etc.

Assistance by ADB for Development of Ports

2501. SHRI ASHOK NAMDEORAO MOHOL : Will the Minister of FINANCE be pleased to state:

(a) Whether the Asian Development Bank is providing funds for the development of various ports in the Country, particularly in Maharashtra;

(b) if so, the details of the projects being financed by the Asian Development Bank, Port-wise; and

(c) the details of Progress achieved so far?

The MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The details of the existing projects approved by ADB for assistance for Development of Ports in India are as follows:

Name of Project	Brief Project Components	Amount of assistance US\$	Date of approval	Date of Closing	Loan utilisation US\$
1	2	3	4	5	6
Coal Ports Project	Coal Handling Plant & Wharfs in Paradip Port & Dev. of Ennore Port.	285 million	27 Oct. 1992	30 May 2000	60.632 million
Mumbai Port Project	Replacement of submarine pipelines, modernisation of oil berths.	\$97.8 million	29 Sep. 1997	30 Sep. 2003	nil
Chennai Port Project	Rehabilitation of the existing berths.	\$15.2 million	29 Sep. 1997	30 March 2003	nil

Visit of Italian Trade Team to India

2502. SHRI TATHAGATA SATPATHY : Will the Minister of COMMERCE be pleased to state:

(a) whether a high level Italian trade team visited India during 1997;

(b) if so, the purpose of their visits;

(c) whether Italian trade team proposed to set up joint venture projects in India;

(d) if so, the details of the proposals submitted by the trade team; and

(e) the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (e) No, Sir. However, since Italian Prime Minister's official visit to India in April, 1997 had been postponed, a 5-member delegation of Italian businessmen industrialists headed by the Coordinator, Asia-Oceanic Countries, Ministry of Foreign Affairs paid a visit to India from April 20-24, 1997 and had meetings with the Director General of CII in New Delhi. It is understood that the businessmen had meetings with Indian companies but no Joint Ventures/cooperation projects were concluded.

Economic Package for Uttar Pradesh

2503. SHRI ADITYANATH : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have conducted any latest survey in various parts of the country to study the regional economic disparity of a particular region;

(b) if so, the position of eastern Uttar Pradesh in comparison to other parts of the country, particularly in Uttar Pradesh;

(c) whether the above region is economically backward and the Government is formulating any special scheme to extend any economic package to the eastern region of Uttar Pradesh; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No.

(b) Does not arise.

(c) and (d) The Planning Commission allocates funds to the State for its overall development. The Government attaches high priority to development of backward areas and disadvantaged sections of Society and instructions to this effect have been given to State Government from time to time. However, the development of different regions within the State is primarily the responsibility of the State Government. As development requirement of Eastern Uttar Pradesh can be met within Development Plan of the State, it is not considered necessary for the Union Government to form a Special Package for Eastern Uttar Pradesh.

Visit India Year

2504. SHRI SHANKER PRASAD JAISWAL : Will the Minister of TOURISM be pleased to state:

(a) whether the Government have announced its new tourism policy;

(b) if so, the details thereof;

(c) the idea of the Government behind the proposal of "Visit India Year";

(d) whether the Government propose to develop the pilgrimages as the tourist spots to promote tourism industry; and

(e) if so, the details of the scheme prepared by the Government of Varanasi?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) No Sir.

(b) Does not arise.

(c) The objective of the proposal is to give focus and wider publicity to the Indian tourism product in the overseas markets and to attract more tourists.

(d) Yes, Sir. Pilgrim Centers with tourism potential are identified for development.

(e) The Ministry of Tourism has provided assistance to the State Government for the implementation of the following projects at Varanasi during last five years:

	Amount Sanctioned
1. Public conveniences at Varanasi	6.72
2. Flood lighting of Varanasi Ghats	16.50

MSCCF's against NTC

2505. SHRI MOHAN RAWALE : Will the Minister of TEXTILES be pleased to state:

(a) whether some amount of the Maharashtra State Cooperative Cotton Federation is outstanding against the National Textile Corporation (NTC);

(b) if so, the details thereof;

(c) the reasons for non-payment of this amount;

(d) whether the Government of Maharashtra have made for several requests to the Union Government in this regard;

(e) if so, the details thereof and the reaction of the Union Government thereto; and

(f) the time by which this amount is likely to be paid to the Maharashtra State Cooperative Cotton Federation?

The MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) and (b) An amount of Rs. 136.72 crores is outstanding against NTC towards cotton dues to Maharashtra State Cooperative Cotton Federation as on 31.3.1998.

(c) to (f) Cotton is purchased by the NTC on credit terms. Therefore, certain outstanding dues remain to be paid at any given point of time. While the Government of Maharashtra have requested for early payment of the cotton dues, due to acute shortage of working capital and losses suffered by the NTC, the payment of cotton dues to the Federation has fallen into arrears. NTC is expected to clear the outstanding dues on availability of funds after the rehabilitation package is put into operation as per BIFR approval. The cases of 8 out of 9 subsidiaries of NTC are presently under reference to the BIFR.

VRS in STC

2506. SHRI RAMCHANDRA VEERAPPA : Will the Minister of COMMERCE be pleased to state:

(a) the number of employees opted for the Voluntary Retirement Scheme (VRS) in State Trading Corporation since 1995;

(b) whether all the benefits have been provided to those employees;

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

(d) the time by which all the benefits are likely to be provided to all Voluntary Retired persons of STC?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (d) Voluntary Retirement Scheme (VRS) was not in existence in STC in 1995 & 1996. In STC, Voluntary Retirement Scheme opened in 1937. In all 96 employees comprising 67 Managers and 29 staff opted for VRS and they have been paid the admissible benefits as per the scheme.

[Translation]

Export of Basmati Rice

2507. SHRI DATTA MEGHE : Will the Minister of COMMERCE be pleased to state:

(a) whether the export of basmati rice from India has affected due to acquiring patent of the 'basmati rice' by America; and

(b) if so, the steps taken by the Government to safeguard the interests of the Indian basmati rice exporters?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Patents are granted by respective Governments under their Patent laws. A patent is a statutory grant in respect of an invention, which confers certain monopoly rights on the grantee for a specific period. Patent rights are restricted to the geographical area of the country where they are granted. Though rice originating from India will not be strictly affected, the patentee can

take infringement action against Indian exporters in USA claiming that the rice is similar to the quality of basmati rice line & grains.

(b) Whenever information is received about patents being taken on certain products which are of commercial interest to India and which in our view do not satisfy the criteria of patentability, steps are taken to assess whether the grant of patent can be challenged. When sufficient material is gathered, steps are taken for filing a petition for re-examination and ultimate revocation of patent in that country.

Some of the steps taken to protect the interest of rice exporters include, inter-alia challenging the various Trademarks registrations filed by International companies in Greece, U.K., conducting publicity campaigns, sending delegations abroad, participating in International trade fairs, inviting potential buyers and providing financial assistance to exporters for improving quality, packaging, brand promotion of products and for conducting market surveys.

Promotion of Tourism in Hilly Areas

2508. SHRI BACHI SINGH RAWAT (BACHDA) : Will the Minister of TOURISM be pleased to state

(a) whether Government have launched the Cafeteria-Rest House Scheme to promote tourism in the country, particularly near the highways leading to hilly areas;

(b) if so, the places in Uttaranchal area of Uttar Pradesh for which this scheme is likely to be implemented; and

(c) the criteria adopted to implement these schemes and the likely contribution of local people of Uttaranchal therein alongwith other details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) The Ministry of Tourism, Government of India provides financial assistance for the construction of wayside amenities such as restaurants, public conveniences, toilet and drinking water facilities etc on the basis of specific proposals received from the State/UT Governments. However, Government has not launched any scheme titled "Cafeteria-Rest Houses scheme". During the year 1996-97, the Ministry of Tourism has sanctioned Rs. 20.00 lakhs for construction of Reception Centre at Rishikesh under the wayside amenities scheme for Uttaranchal area.

(c) The projects are implemented by the State Government. Creation of these facilities will lead to greater demand for local products and thus lead to better employment opportunities for the local population.

[English]

Crisis Among Handloom Weavers due to Huge Stocks

2509. SHRI V. KRISHNAMOORTHY : Will the Minister of TEXTILES be pleased to state:

(a) whether Government are aware of the huge stocks of handloom material is not being lifted, resulting in acute crisis among the poor handloom weavers especially in Tamil Nadu State;

(b) whether the Government are also aware that by announcing the import of Art silk, the situation is being aggravated and the condition of the weavers are becoming very pitiable; and

(c) if so, the steps taken to withdraw the import proposal so that the handloom weavers are safeguarded?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Yes, Sir. The Government of Tamil Nadu have informed that they have taken various measures to clear the accumulated stock which include grant of rebate, holding of exhibitions for sale, purchase by State Government Departments etc.

(b) and (c) Import of woven fabrics of Artificial filament yarn have been brought under OGL vide notification dated 31.12.1997. It is early to assess the impact of the Policy.

Cheap Interest Rate on Export

2510. SHRI C.P. RADHAKRISHNAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to provide loans to exporters on cheaper interest rate;

(b) if so, the details thereof; and

(c) by when it is likely to be implemented?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No, Sir. Consequent to the reductions of rates on pre-shipment credit on April 29, 1998 the export credit interest rate structure is already reasonably low.

(b) and (c) Do not arise.

Integrated Tourism Plan for North-Eastern States

2511. SHRI BHIM DAHAL:
KUMARI MAMATA BANERJEE:

Will the Minister of TOURISM be pleased to state:

(a) whether the Union Government have drawn up an Integrated Tourism Development Plan for the North-Eastern States;

(b) if so, the details thereof State-wise including Darjeeling Hill area; and

(c) the amount spent on the development of tourism in the North-Eastern States during each of the last three years, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) The Task Force constituted by the Department of Tourism has submitted a report for the development of tourism in the North Eastern States. The report has suggested improvement of infrastructural facilities including accessibility and publicity of tourism products of the region. The said report did not cover Darjeeling Hill area.

(c) The amount of financial assistance released to North Eastern States during each of the last three years is as given below:-

State	Amount Released (Rs. Lakhs)		
	1995-96	1996-97	1997-98
Arunachal Pradesh	25.50	1.75	82.50
Assam	39.00	32.66	94.20
Manipur	36.28	22.00	56.35
Meghalaya	2.04	32.50	28.05
Mizoram	68.94	40.44	43.50
Nagaland	39.76	70.00	40.58
Tripura	22.67	56.60	40.16

The financial assistance released for projects in Darjeeling during the last three years were:-

Year	Rs. In Lakhs
1995-96	30.72
1996-97	28.75
1997-98	16.50

Research Projects by NISIET, Hyderabad

2512. SHRI M. RAJAIHAH : Will the Minister of INDUSTRY be pleased to state:

(a) the number and details of Research Projects and training programmes organised by National Institute of Small Industry Extension and Training, Hyderabad in collaboration with the international agencies during 1997-98;

(b) the name of the agencies who provided funds alongwith amount of assistance to NISIET, Hyderabad; and

(c) the details of the project currently going on?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) No training programme was conducted by

NISIET, Hyderabad, in collaboration with International agencies during 1997-98. However, a Research Project on Policy Research for Small Scale Enterprises was conducted during 1997-98.

(b) The above research project was assigned by UNESCO, New Delhi for an amount of US \$ 10,000/-.

(c) The details of project currently going on are:-

(i) Study tour on Food & Agro Processing Rural Development for the ILO delegation from Nigeria during 29th March-4th April, 1998 for an institutional fee of US \$ 4200+Rs.58,000/- arranged by ILO, New Delhi (ILO Office for India and Bhutan).

(ii) Training cum enterprise visit of seven members team of Bankers and officials from Bangladesh during 8-20 June, 1998 sponsored by International Fertilizer Development Centre, Dhaka, Bangladesh for a fee of US \$ 10,500.

Massive I.T. Evasion by School

2513. SHRI K.S. RAO : Will the Minister of FINANCE be pleased to state:

(a) whether searches conducted recently by the Income Tax Department have revealed massive Income Tax evasion by some of the schools in Western Uttar Pradesh;

(b) if so, the details of the income tax evasion that have come to the light the amount involved and the modus operandi thereof;

(c) whether in some cases some non-resident Indians are also involved;

(d) if so, the details thereof; and

(e) the measure taken or proposed to be taken to deter the defaulters?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) Yes, Sir. Searches were conducted recently at the premises of a school in Western Uttar Pradesh.

(b) Concealment of Rs.4 crores has so far been admitted by a Director of the School. Further investigations are underway for quantifying the exact amount of concealment and establishing the modus operandi involved.

(c) and (d) An N.R.I. is the Chairman of the Society running the school.

(e) The Income-tax Act, 1961 provides for a special procedure for assessment of search cases. The procedure involves making of assessment for a block period of ten assessment years preceding the year of search and assessing the undisclosed income relating to the block period at sixty per cent. Further prosecution proceedings could be initiated in the circumstances prescribed in the Act.

Sick Tea Gardens of Assam

2514. SHRI NEPAL CHANDRA DAS : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are aware that some tea estates of Assam has fallen sick;

(b) if so, the details thereof, district-wise;

(c) whether crores of rupees of the poor workers in the form of gratuity and daily wages are blocked in these tea estates;

(d) if so, the steps taken by the Government to pay the arrears to the workers;

(e) whether the Government propose to revamp these tea estates while selling or leasing of the gardens to any solvent private concern;

(f) if so, the details thereof; and

(g) the other steps taken by the Government for recovery of the Tea Estate from present sickness?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (g) Information is being collected and will be laid on the Table of the House.

[Translation]

Land Acquired by ECL

2515. PROF. RITA VERMA : Will the Minister of COAL be pleased to state:

(a) the area of land acquired by the Eastern Coalfield Ltd. (E.C.L.) after nationalisation of the coal industry;

(b) the number of families displaced as a result thereof;

(c) the criteria adopted to provide compensation and jobs to such families; and

(d) the number of families compensated so far indicating the amount of compensation paid to each family?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) After nationalisation of the Coal Industry, the total area of land acquired by Eastern Coalfields Limited (ECL) covering various types of lands works out to 9976.73 hectares.

(b) 996 families have been displaced as a result of acquisition of land by ECL.

(c) For providing compensation and jobs to project affected families, CIL's R&R policy and Govt. of India package called "Gulla Package" approved in October, 1990 are being followed.

(d) As reported by Coal India Limited, all the families i.e. 996 have been paid compensation amounting to an average sum of Rs. 1.07 lakhs per family.

[English]

Tobacco Crop

2516. SHRI R. SAMBASIVA RAO : Will the Minister of COMMERCE be pleased to state:

(a) whether the Andhra Pradesh Government has urged not to relax the restrictions in regard to the cultivation of tobacco crop;

(b) if so, whether the Tobacco Board and other members had made requests to lift the present restrictions on the crop; and

(c) if so, the reaction of the Union Government thereon?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

World Bank Assistance to IDBI

2517. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India (IDBI) has received funds from the World Bank for phasing out of Ozone Depletion Substances (ODS);

(b) if so, the total funds received by IDBI from World Bank for the purpose; and

(c) the time by which the Ozone Depletion Substances are likely to be phased out?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes.

(b) IDBI manages the grant disbursement on behalf of the World Bank, the Administrator of Ozone Trust Fund under the Montreal Protocol. Till March 31, 1998, IDBI had received US \$ 8,604,926 for further disbursement to enterprises.

(c) The Ozone Depletion Substances are to be phased out by 2010 in a phased manner, as per the time schedule specified in the Montreal Protocol.

[Translation]

Abid Hussain Committee

2518. SHRIMATI SURYAKANTA PATIL : Will the Minister of INDUSTRY be pleased to state:

(a) the nature and the extent of measures taken by the Government on the recommendations of the Abid Hussain Committee;

(b) the steps taken on the recommendations to protect the interests of the small and medium industries;

(c) whether the Government have informed the State Governments to implement the recommendations of the Committee in their States;

(d) whether the Government is reconsidering the recommendations which have not been accepted; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHR: SIKANDER BAKHT) : (a) and (b) Abid Hussain Committee on Small Enterprises submitted its report in January 1997. Based on the recommendations of the Committee the following measures were taken by the Government.

1. The Investment limit for the small scale industrial units was raised from Rs. 60 lakhs (Rs. 75 lakhs for the ancillary units) to Rs.300 lakhs.
2. The investment limit of the tiny units was raised from Rs.5 lakhs to Rs.25 lakhs.
3. Forty per cent of the funds available to SSI sector was earmarked for units having investment in plant and machinery upto Rs. 5 lakhs, 20% for units with investment between Rs. 5 lakhs to Rs. 25 lakhs and the remaining 40% for other SSI units.
4. The composite loan scheme of SIDBI was modified and loan ceiling increased from Rs.50,000/- to Rs. 2 lakhs.

Government had also set up an Inter-Ministerial Committee to examine the various recommendations of the Abid Hussain Committee. Based on the report of the Inter-Ministerial Committee Government has taken decisions on various other issues for which action has been initiated by the Department.

Action has been initiated on those recommendations of the Committee which were thought to be in the interest of not only the small scale sector but also the entire economy and accepted by the Government.

(c) The Department of SSI&ARI has forwarded the decisions taken on the various recommendations of the Abid Hussain Committee to concerned Central Ministries/ Departments, State Governments and other agencies for further follow up action.

(d) and (e) No, Sir.

WTO Agreement

2519. SHRI VIJAY GOEL : Will the Minister of COMMERCE be pleased to state:

(a) the conditions India has constrained to accept after signing the WTO agreement;

(b) whether the signing of the said agreement has an adverse impact on interests of India;

(c) if so, the details thereof; and

(d) if not, the benefits thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The Uruguay Round package of Agreements inter alia comprise the following:

1. The Marrakesh Agreement Establishing the World Trade Organization
2. Multilateral Agreements on Trade in Goods (including the General Agreement on Tariffs and Trade 1994)
3. Agreement on Agriculture
4. Agreement on the application of Sanitary and Phytosanitary Measures
5. Agreement on Textiles and Clothing
6. Agreement on Technical Barriers to Trade
7. Agreement on Trade-Related Investment Measures
8. Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994
9. Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994
10. Agreement on Pre-shipment Inspection
11. Agreement on Rules of Origin
12. Agreement on Import Licensing Procedures
13. Agreement on Subsidies and Countervailing Measures
14. Agreement on Safeguards
15. General Agreement on Trade in Services
16. Agreement on Trade-Related Aspects of Intellectual Property Rights

17. Understanding on Rules and Procedures Governing the Settlement of Disputes

18. Trade Policy Review Mechanism

19. Plurilateral Trade Agreements (on Civil Aircraft, Government Procurement, International Dairy Agreement and International Bovine Agreement)

Each Agreement contains within itself its own set of rights and obligations

(b) to (d) Government is of the view that the multilateral trading system, which the WTO administers, represents a balance of concessions, which, if properly implemented, brings about orderliness, transparency and predictability in global trade. The principles of Most Favoured Nation treatment of all Member countries by each country as also that of National Treatment or non-discrimination against the products of other Member countries, which are enshrined in the WTO Agreements, more free trade through reduction of tariffs and progressive removal of non tariff barriers, elimination of trade distorting measures, including subsidies, systems of rules to serve as guidelines for national legislation to bring about uniformity in laws and regulations everywhere and simplification of border measures are some of the grains of the system.

However, some of the challenges perceived in the system lie in certain Members not implementing in the proper spirit, the provisions of the WTO Agreement. In meeting this challenge, India has been raising the problems of implementation being faced by her and other developing countries in all appropriate fora, both within and outside WTO. India's latest initiative includes highlighting these matters at the recently concluded Second Ministerial Conference of WTO Trade Ministers in Geneva, held during 18-20 May 1998. The Ministerial Conference has endorsed India's concerns about proper implementation of the WTO Agreement since the Ministerial Declaration has mandated full and faithful implementation of existing WTO Agreements and decisions as the first item of work in the process to be initiated in the General Council as it prepares to make its final recommendations to the Third Session of the Ministerial Conference of the WTO.

Withdrawal of Foreign Assistance

2520. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of FINANCE be pleased to state:

(a) the projects for which foreign assistance has been cancelled which was to be received as a loan during the current year alongwith the details of the amount of loan and the names of countries from which it was to be received;

(b) the names of the project for which there is no possibility of withholding the loan / grant-in-aid already been sanctioned; and

(c) the details of the recommendation of G-8 Summit in regard to imposing collective economic sanctions against India?

The MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) No loans for ongoing development projects with foreign assistance has been cancelled. For all ongoing projects it is unlikely that loan / grant-in-aid will be cancelled. The final position is yet to emerge.

(c) In the G-8 Summit collective economic sanctions against India were not imposed.

[English]

Insurance Cover on Saving Bank Account

2521. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state:

(a) whether Punjab and Sind Bank has started accident insurance cover upto Rs. 1 Lakh to those savings bank account holders who keep a minimum credit balance of Rupees One Thousand only in their accounts;

(b) if so, the details thereof,

(c) whether there is any proposal of the Government to ask other public sector banks to follow suit; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) Punjab & Sind Bank has introduced a Savings Linked Insurance Plan with the special benefit of Accident Insurance Coverage. The scheme is being test marketed in all the branches of the bank in Delhi only. The main features of the scheme are as follows:

Eligibility : Any person in the age group of 5 to 70 years can open an account individually or jointly (including minors) with a minimum balance of Rs. 1,000/- per individual. There is no upper limit. Handicapped persons are also eligible to open an account.

Nomination Facility : Nomination facility is available at the time of opening the account in favour of one individual only. Any change in the name of nominee can be made.

Insurance Coverage : The special feature of this scheme is the Accident Insurance Cover for the depositor under Group Personal Accident Policy of National Insurance Company Ltd. The depositor will get the insurance cover without paying anything extra. The prescribed charges of Rs. 50/- per head per annum (subject to revision from time to time) will be recovered from interest credited/accrued in the account.

Insurance For Accidental Death : The insurance coverage for accidental death is Rs. 1 Lakh and will be paid to the account holder's nominee in Indian Currency. The Group Personal Accident Policy Provides a Worldwide cover against death and disability.

An individual's claim under this scheme is limited to Rs. 1 Lakh irrespective of number of accounts one has. The insurance cover shall commence from the date of payment of premium.

Insurance cover will cease from the date of closure of savings bank account or whenever the deposit in the account falls below the minimum amount.

Compensations Available : For any bodily injury from accident caused by external, violent & visible means, the Insurance Company will pay the amount as specified in the policy.

Under the policy, the insured amount will be paid if bodily injury within 12 calendar months of its occurrence, be the cause of:

- Death of Insured.
- Loss of sight of both eyes.
- Actual loss-by the physical separation of two entire hands or two entire feet or one entire hand and one entire foot, or loss of sight of one eye and loss of one foot or one hand.
- Loss of two hands or two feet, or one hand and one foot, or one hand/foot and loss of sight of one eye.
- Permanent and absolute disablement for any employment or occupation.

For any other permanent partial disablement the percentage will be paid as per the policy/assessment of doctor and his certification as the case may be.

Expenses for Carriage of Dead Body : The policy covers the actual expenses for carriage of dead body of insured upto Rs. 1,000/- to the place of his residence.

Claims : Settlement of claims rest with the Insurance Company itself as per terms and conditions of the policy, for which the insurance company has to be approached directly.

Transfer of Account : Under the scheme account holder can also transfer his account to any of the PSB branches throughout India, where ever the scheme is in operation.

- (c) No, Sir.
- (d) Does not arise.

Merger of Banks

2522.DR. JAYANTA RONGPI : Will the Minister of FINANCE be pleased to state:

(a) whether the Government are contemplating to effect merger of nationalised banks to lower their existing number or to merge them into a single banking corporation; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) There is no such proposal under the consideration of the Government at present.

(b) Does not arise.

Disinvestment Commission

2523.SHRI G.M.BANATWALLA : Will the Minister of FINANCE be pleased to state:

(a) whether the Disinvestment Commission has recommended that disinvestment should be delinked from the annual budgetary exercise;

(b) if so, details of the recommendation; and

(c) the Government's reaction thereon?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) While recommending the setting up of the Disinvestment Fund, the Disinvestment Commission has suggested the delinking of disinvestment from the annual budgetary exercise.

(c) The recommendation of the Disinvestment Commission is being examined by the Government.

[Translation]

Production and Consumption of Cement

2524.SHRI ASHOK PRADHAN : Will the Minister of INDUSTRY be pleased to state:

(a) the annual production and consumption of cement in Uttar Pradesh during the last three years; and

(b) the steps taken or proposed to be taken by the Government to fill the gap between demand and supply of cement in the State?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) On the basis of statistical reports published by the Cement Manufacturers' Association, the production and consumption of cement in respect of large cement plant in Uttar Pradesh during the last three years is as follows :

(in lakh tonnes)

Year	Production	Consumption
1995-96	11.59	67.35
1996-97	9.33	73.94
1997-98	7.47	83.82

Data regarding production and consumption relating to mini cement plants is not maintained centrally.

(b) Cement industry is decontrolled and delicensed and entrepreneurs are free to set up cement plants anywhere subject to locational clearance. Government is providing all infrastructural support to the industry to maximise cement production. Rail wagons are being provided to cement plants on priority basis to supply cement to deficit areas.

[English]

Pay Scales of RRB

2525.SHRI BASU DEB ACHARIA : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have allowed the revised pay scale of equated status of Government of Madhya Pradesh to the then field supervisors of Regional Rural Banks, Madhya Pradesh on March 20, 1993;

(b) if so, whether all the RRBs in the State have honoured this order issued by NABARD; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) Yes, Sir. The Government had allowed the revised pay scales of equated status of Madhya Pradesh Government to the then Field Supervisors of Regional Rural Banks (RRBs), in Madhya Pradesh (M.P) on March, 20, 1993;

(b) and (c) As reported by National Bank for Agriculture & Rural Development (NABARD), only six RRBs in Madhya Pradesh have implemented this order. In terms of the order, the pay scales of Field Supervisors were required to be equated with those applicable to Extension Officers (Veterinary) of the State Government which were higher as compared to the scales applicable to Block Development Officers (Ordinary Grade) with which Branch Managers of RRBs were equated. As such, implementation of the order would have created an anomalous situation whereby the Field Supervisors would have been fitted in higher scales as compared to Branch Managers. Accordingly, the matter has been referred by NABARD to the Government for appropriate consideration.

Male/Female Employees in BCCL

2526. SHRI AJOY MUKHOPADHYAY : Will the Minister of COAL be pleased to state:

(a) the number of male and female employees, separately in BCCL as on May 1, 1973 and May 1, 1998;

(b) whether there is a policy in BCCL to discharge female employees despite increase in the open cast mining and against the spirit of Constitution; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The number of male and female employees in the Bharat Coking Coal Limited (BCCL) as on 1.12.1973 and 1.5.1998 are as under:-

MANPOWER AS ON	MALE	FEMALE	TOTAL
1.05.1973	N.A.	N.A.	179781
1.12.1973 (earliest available date)	158528	16368	174896
1.5.1998	123888	11082	134970

(b) No, Sir.

(c) Does not arise in view of reply given to part (b) above.

Trade Ties with Africa

2527. SHRI FRANCISCO SARDINHA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to boost trade ties with Portugal and Portuguese speaking countries in Africa, specially Angola and Mozambique;

(b) if so, the details thereof; and

(c) if not, the reason therefor?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (c) It is the endeavour of the Government to expand trade ties with all countries including trading partners like Portugal and Portuguese speaking countries in Africa. Steps taken for promotion of bilateral trade and economic cooperation with these countries include exchange of trade and industry delegations, participation in trade fairs, holding periodical official level bilateral discussions and organising regional Conferences of Commercial Representatives of Indian Missions to identify emerging opportunities and challenges. India also has trade agreements with Portugal, Angola and Mozambique.

Group Insurance Scheme

2528. SHRI S. AJAYA KUMAR : Will the Minister of FINANCE be pleased to state:

(a) the States in which the Group Insurance Scheme has been implemented by the LIC in rural areas; and

(b) the reasons for which Group Insurance Scheme has not been implemented in Kerala?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) and (b) Under the Rural Group Life Insurance Scheme (RGLIS) being implemented by the Life Insurance Corporation of India (LIC), 50% of the premium will be paid by the beneficiary and the other 50% will be shared by the Central and State Governments in equal proportion for subsidised policy limited to one policy per household below poverty line in rural areas. The Scheme has been implemented by the LIC in Andhra Pradesh, Assam, Chandigarh, Goa, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Orissa, Punjab, Rajasthan and Uttar Pradesh. The Scheme could not be implemented in Kerala because the Government of Kerala requested the LIC that the beneficiary's share of premium will also be paid by the State Government and Gram Panchayats in equal proportion. As this suggestion meant a basic change in the character of the scheme, it could not be implemented in the State.

Grants from UNDP

2529. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state:

(a) whether India is likely to receive \$ 200 million grant from the United Nations Development Programme for achieving its Ninth Plan objectives on infrastructure, technology and employment;

(b) if so, whether any concrete proposals have been prepared for utilising this fund;

(c) if so, the details thereof; and

(d) the extent to which the infrastructure, technology and employment are likely to be improved?

THE MINISTRY OF FINANCE (SHRI YASHWANT SINHA) : (a) Under the first GOI/UNDP Country Co-operation Framework for India covering the period 1997-2001, the indicative grant assistance is expected to about US\$ 191 million.

(b) Yes.

(c) Out of the ten proposed programmes under CCF-I, the following four Programme Support Documents have already been signed:

Technology Management	US \$10.5 mil.
Community-Based Pro-Poor Initiatives	US \$13.0 mil.
Environment	US \$9.0 mil.
Food Security	US \$13.0 mil.

The rest of the six Programme Support Documents are expected to be approved and signed shortly.

(d) The Economic Reforms Programme will support national reform programmes for expansion/privatisation of infrastructure and services, strengthen institutional capacity in legal and regulatory regimes, and sensitise key national personnel about international best practices. The Technology Management Programme will strengthen the interface between research and development institutions with private industry; the application of science and technology to rural transformation; strengthen indigenous technology facilitate the use of development information technology; strengthen the technology base of NGO-led resource centres; and strengthen technology management capabilities. The Small Industries Development and Employment Programme will provide technical support to small micro and village industries with a view to increasing employment/income opportunities and sustainable livelihoods.

[Translation]

Environmental Clearance to Coal Mines

2530. DR. CHARAN DAS MAHANT : Will the Minister of COAL be pleased to state:

(a) whether coal mines are required to obtain clearance certificate under Environment (Protection) Act, Water (Prevention and Control of Pollution) Act and Air (Prevention and Control of Pollution) Act;

(b) if so, the conditions to be fulfilled by the coal mines to obtain such clearances;

(c) whether these conditions are being fulfilled by the coal mines properly;

(d) if not, the action being taken by the Government in this regard; and

(e) the number of coal mines of Madhya Pradesh obtained clearance certificates under the aforesaid Acts?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Yes, Sir. The said clearances are required for all new projects.

(b) For obtaining clearance of the project by the Government, approval of Environmental Management Plan (EMP) by the Ministry of Environment & Forests (MOEF) is essential. Before sending the project to MOEF, it is sent

to State Pollution Control Board for public hearing. This has been introduced in April, 1997. Conditions are laid out in every approved EMP.

(c) and (d) Yes, Sir. Projects are being inspected by State/Central agencies.

(e) 34 coal mines of Madhya Pradesh have obtained clearance certificates under the aforesaid Acts.

Loan to Farmers

2531. PROF. PREM SINGH CHANDUMAJRA:
SHRI CHINTA MOHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued any instructions to the banks to provide 18 percent of loans to the agricultural sector so as to meet the loan demand of this sector;

(b) if so, whether this percentage of loan have been provided to the agricultural sector during the Eighth Five Year Plan; and

(c) if so, the estimated percentage of loan provided and whether this percentage of loan fulfilled the loan requirements of the agricultural sector and if not, the reaction of the Government thereto and the Action Plan prepared for the Ninth Five Year Plan in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) to (c) As per the instructions issued by Reserve Bank of India (RBI) all public sector banks are required to extend 18 percent of their net bank credit to agriculture sector. The estimated percentage of loans provided to the agriculture sector by public sector banks is given below:

Year	Percentage
1992-93	15.07
1993-94	15.05
1994-95	13.91
1995-96	14.29
1996-97*	16.35

*(data provisional)

It may be observed from above that the ground level disbursement of loans for the agriculture sector during the Eighth Plan was less than the estimated 18%. As reported by National Bank for Agriculture and Rural Development (NABARD), Working Group of the Planning Commission on VIII Five Year Plan, have estimated requirements of total

credit for agriculture sector for the year 1996-97 as Rs. 34,890 crores against which the actual amount of credit made available by all agencies during the year stood at Rs. 26,411 crores representing an achievement of 75.7%. Considering the demand projections arrived at on the basis of different assumptions and reckoning the matching supply of resources to sustain the same, the Working Group on Agricultural Credit & Co-operation for the formulation of Ninth Plan has made certain projections regarding the flow of credit to agriculture during the plan period, according to which the total credit flow from all agencies is expected to increase from existing Rs. 33,375 crores (1997-98) to Rs. 60,842 crores in 2001-2002 representing an annual compound growth rate of 16.1%.

Further, a number of steps have been taken by RBI and NABARD to enhance the credit flow to the agriculture sector. Some of these include, inter-alia, the following:

- (i) The commercial banks have been asked to increase the credit flow to agriculture by 25%.
- (ii) With a view to strengthen the financial capability of NABARD, its capital has been raised by Rs. 1000 crores during the past two years and is expected to be raised to Rs. 1500 crores during the end of this year.
- (iii) Regional Rural Banks (RRBs) have been given recapitalisation support.
- (iv) Banks have been advised to set up specialised agricultural branches in each State to exclusively deal with high-tech agricultural advance.
- (v) Banks have been advised to extend cash credit facilities for meeting composite credit requirements of farmers having a good track record.
- (vi) With a view to improving the access of small farmers to institutional credit, NABARD has advised co-operative banks to earmark funds in favour of small, marginal and economically weak farmers.

[English]

Paris Convention of IPR

2532. SHRI K.P. NAIDU : Will the Minister of INDUSTRY be pleased to state:

- (a) whether India propose to join Paris Convention on Intellectual Property Rights; and
- (b) if so, the likely advantage to India therefrom?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) The matter is under consideration of the Government.

Brahmaputra as a Tourist Destination

2533. SHRI K. YERRANNAIDU : Will the Minister of TOURISM be pleased to state:

- (a) whether the Government propose Brahmaputra as a tourist destination;
- (b) if so, the details thereof; and
- (c) the action taken to increase activities like development of road and rail linkage amenities for tourists?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) to (c) Yes, Sir. The Government of Assam has taken steps to develop tourist activities in Brahmaputra. The steps taken by the State Government in this regard include organising Brahmaputra beach festival, organising rafting expeditions, operating river cruises and road linkages to different tourist destinations.

Sidbi Branch in Vijayawada

2534 SHRI P. UPENDRA : Will the Minister of FINANCE be pleased to state;

- (a) whether there has been a demand for opening of a branch of the Small Industries Development Bank of India at Vijayawada in view of the large number of small-scale industries in Vijayawada and surrounding areas; and
- (b) if so, the action taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) Small Industries Development Bank of India (SIDBI) has received representations from Andhra Pradesh Small Industries Association, Vijayawada and some Members of Parliament to establish a branch of SIDBI at Vijayawada.

(b) SIDBI which has branches at the State Capitals, has been undertaking branch expansion programme in small scale industries (SSIs) clusters with a need based approach. SIDBI has already opened its second branch office at Visakhapatnam in the State of Andhra Pradesh in March 1997 keeping in view the request received from SSI units and other relevant factors. The requirements of the SSI units in and around Vijayawada are at present being taken care of by SIDBI's office at Hyderabad. The suggestions received by SIDBI for establishing a branch at Vijayawada would be kept in view while considering the branch expansion programme of SIDBI in future.

Jute Bags

2535. SHRI. HARIN PATHAK:
DR. VALLABHBHAI KATHIRIA:
SHRIMATI BHAVNA DEVRAJ BHAI CHIKHALIA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government are aware that HDPE/PP bags are more suitable for packing of Cement and Fertilizers comparing with Jute bags;

(b) whether the Government have made any study about the packaging of cement, fertilizers in jute bags and HDPE/PP bags;

(c) if so, the details thereof;

(d) whether some State Governments propose to exempt Cement, Fertilizers and other industries from packing in Jute bags;

(e) if so, the details thereof and the action taken by the Government in this regard;

(f) whether these two commodities are prone to pilferage at a large scale leading to malpractice in transportation by traders affecting the consumers in general; and

(g) if so, the action taken or proposed to be taken in this regard?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (g) The Government is aware about divergent views of Cement industry, Fertilizer (Urea) sector and Jute Sector regarding comparative suitability of HDPE/PP bags & jute bags for packing of Cement & Fertilizers (Urea). While Cement and Fertilizer Industries have claimed that HDPE/PP bags are more suitable because these are technical superior, cheaper than jute bags and enjoy large scale consumer preference, on the contrary jute sector has claimed that Jute Packaging is equally good for packing of these commodities if proper varieties of jute bags covered by ISI specifications are used.

There have been two studies- one by NCBM and the other by the Deptt. of Science and Technology. NCBM study finds jute bags suitable for cement although it indicates that seepage is marginally higher than HDPE bags. Study by the Science & Technology Department finds more seepage in case of jute bags. IJIRA had also conducted a study which bears out points made in NCBM study. No such study has been carried out as yet in respect of packaging of Fertilizer (Urea) in jute & synthetic bags as technically both these bags are equally suitable for packing urea and main reservation against use of jute bags for packing this item is due to higher cost of jute bags.

Some State Governments like Gujarat, Maharashtra, Karnataka, Tamil Nadu etc. have urged upon the Central Government to exempt Cement, fertilizers (Urea) and other industries from the preview of the reservation in jute packaging to protect the interests of HDPE/PP Woven Sacks manufacturing industry in their States. However, Government of West Bengal have urged that jute packaging reservation order should be strictly enforced to safeguard the interests of millions of jute growers.

The proneness of these commodities to pilferage at a large scale can neither be confirmed nor denied. However, packaging medium used for these commodities has no bearing on their proneness to pilferage and this can occur if these commodities are packed in either jute or synthetic bags.

The Standing Advisory Committee constituted under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987 have recently considered in detail the various pros & cons of the evidence and views expressed by different organisations and representation of various Ministries/Depts. in its meetings held on 30.4.98, 15.5.98 and 2.6.98 for putting its recommendations to the Government.

[Translation]

Agro Based Industries

2536. SHRI NARENDRA BUDANIA : Will the Minister of INDUSTRY be pleased to state the details of proposals received by the Government from each State regarding setting up of agro-based industries with foreign investment during the last three years?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : During the last three years from April, 1995 to March, 1998 total number of 635 proposals in the Agro Based Industries have been approved by the Government. Sector-wise break up of these proposals is given in the Statement enclosed. These approvals are for Paper & Pulp including Paper Products, Sugar, Fermentation Industries, Food Products, Vegetable Oils & Vanaspati, Horticulture, Agriculture, Floriculture, Tea/Coffee and Coir.

The Details of such proposals viz. Name of the Indian company, name and country of the Foreign Collaborator, equity investment in value, item of manufacture/activity are published by Indian Investment Centre as a supplement to the monthly newsletter and copies of these are supplied to the Parliament Library.

Statement

State-wise Break up of Foreign Collaboration & Foreign Direct Investment Proposals Approved for Agro-Based Industries during (April, 1995 to March, 1998)

STATE	No. of Approvals			Amt. of FDI Approved (Rs. Crore)	% to Total
	Total	Tech	Fin		
Andhra Pradesh	76	12	64	892.90	8.80
Assam	1	0	1	0.57	0.01
Gujarat	25	5	20	1193.22	11.77
Haryana	42	7	35	114.77	1.13
Himachal Pradesh	1	1	0	0.00	1.13
Jammu and Kashmir	2	1	1	8.01	0.08
Karnataka	81	27	54	408.93	4.03
Kerala	11	2	9	25.33	0.25
Madhya Pradesh	13	1	12	87.77	0.87
Maharashtra	94	35	59	552.57	5.45
Orissa	3	0	3	17.60	0.17
Punjab	12	3	9	447.97	4.42
Rajasthan	19	5	14	19.60	0.19
Tamil Nadu	73	19	54	181.94	1.79
Uttar Pradesh	38	7	31	200.29	1.98
West Bengal	13	2	11	66.92	0.66
Dadra & Nagar Haveli	2	2	0	0.00	0.66
Delhi	21	5	16	368.16	3.63
Goa	2	0	2	14.62	0.14
Pondicherry	2	1	1	4.65	0.05
Others (States Not Indicated)	104	30	74	5535.09	54.58
Total	635	165	470	10140.91	

[English]

Afforestation Programme By CIL

2537. SHRI VILAS MUTTEMWAR : Will the Minister of COAL be pleased to state:

(a) whether Coal India Limited has paid adequate attention for restoration of environmental balance through undertaking effective afforestation programme for the Coal projects;

(b) if so, the funds allocated and actually provided for the purpose during the last three years, subsidiary-wise break-up and provision for 1998-99 with physical targets;

(c) whether any impact assessment studies on programmes completed through independent research organisation from local areas for better planning and utilisation of scarce resources during the current year and the Ninth Plan have been carried out; and

(d) if so, the details thereof for the current year?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Yes, Sir.

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

(c) and (d) Project Reports for all mines have a separate chapter of Environmental Management Plan

(EMP). For Preparation of the EMP, Environmental Impact Assessment is done. Studies like subsidence control, O.B. dump stability besides flora and fauna etc. have been and are carried out. Programme for formulation of EMPs during 1998-99 are as follows:-

CCL	Karo Expansion OC
WCL	1. Kamptee UG to OC
	2. Ghatrohan OC
	3. Waghoda UG
	4. Makardhokra-I OC
	5. Gajandoh UG
	6. Jamunia UG
	7. Thesgora - B UG
	8. Dhankasa UG
	9. Mandla South UG
	10. Bhatadi Deep OC
SECL	1. Shivani UG
	2. Gayatri UG
	3. Rehar UG
MCL	1. Lingraj OC Expansion
	2. Garjanbahal OC
	3. Gopalprosad (West)/Hingula West OC
	4. Lajkura Expansion OC
	5. Padma OC

Development of Sambhar Salt Area

2538. SHRI GIRDHARI LAL BHARGAVA : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Sambhar Salt Area in Rajasthan was leased out to M/s. Hindustan Salts Limited for the integrated development of the Sambhar Salt Area;

(b) if so, the details thereof alongwith work done so far in this regard;

(c) whether the Government of Rajasthan has repeatedly requested the Union Government for the return of Sambhar Salt Area; and

(d) if so, the reasons for not agreeing to do so?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes, Sir.

(b) A sum of Rs. 3.65 crores has been invested in the shape of loans and interest due for various development works including construction of Gudha/Jhapog dam, borewells, installation of equipment, conversion of MG railway line into BG line and setting up of salt washery.

(c) and (d) Government of Rajasthan had requested Government of India to transfer Sambhar Salt Limited to

the Government of Rajasthan. The request was not agreed to as it was felt that transfer would not be in the overall interest of the company.

Indian Bank

2539. SHRI T. GOVINDAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have received any request from the Indian Bank Employees' Federation for infusion of funds to Indian Bank; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) Yes, Sir.

(b) On the basis of an assessment made in consultation with the RBI and based on the recommendation of consultants, Government has subscribed to the share capital of Indian Bank a sum of Rs. 17.50 Crores for strengthening capital base of the bank. This amount has been simultaneously invested by the bank in Government Securities.

WTO PACT

2540. SHRI SUSHIL KUMAR SHINDE : Will the Minister of COMMERCE be pleased to state;

(a) whether the Government have endorsed the recent World Trade Organisation (WTO) pact for opening financial services;

(b) if so, the terms of the pact;

(c) whether the Government have received any representations from various trade organisations;

(d) if so, the details thereof; and

(e) the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) The following commitments in financial services have been made. All the commitments are subject to entry requirement domestic laws, rules and regulations and the terms and conditions of the RBI, SEBI and any other competent authority in India.

MFN exemptions from all the sectors, viz., Insurance, Banking and Non-Banking Financial Services have been withdrawn. This was a reciprocal measure as all our major trading partners have also withdrawn their respective MFN exemptions.

A. Insurance and Insurance related services:

- (i) Life Insurance : No commitments.
- (ii) Non-life Limited to insurance of freight.
- (iii) Reinsurance and retrocession Reinsurance can be taken with foreign reinsurers to the extent of the residual uncovered risk after obligatory or statutory placements domestically with Indian insurance companies.

B. Banking and other financial services:

1. (i) Acceptance of deposits and other repayable funds from the public.
- (ii) Lending of all types, including consumer credit, mortgage credit and financing of commercial transactions but excluding factoring.
- (iii) All payments and money transmission services including credit, charge and debit cards, travellers cheques and bankers' drafts.
- (iv) Guarantees and commitments.
- (v) Trading for own account of;
 - (a) Money Market Instruments
 - (b) Foreign Exchange
 - (c) Transferable Securities
- (vi) Portfolio management, custodial and trust services.
- (vii) Clearing services for other banks for cheques, drafts and other instruments.

The above activities are allowed only in the third mode, i.e. commercial presence, subject to the following:-

- (i) Only through branch operation of a foreign bank licenced and supervised as a bank in its home country.
- (ii) Grant of licence as permissible under existing laws.
- (iii) A limit of twelve licences per year both for new entrants and existing banks.
- (iv) Banks are allowed to install ATMs at branches and other places identified by them. Installation of ATM at a place other than in licenced branches is treated as a new place of business and requires a licence. Licences issued for ATMs installed

by foreign banks will not be included in the ceiling of twelve licences referred to in item (c) above.

- (V) Investments in other financial services companies by branches of foreign banks licenced to do banking business in India individually not to exceed 10 per cent of owned funds or 30 per cent of the invested company's capital whichever is lower.

2. Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues.

The above activity is allowed to foreign bank branches licenced to do banking business in India and also to foreign financial services companies through incorporation with foreign equity not exceeding 51 per cent.

3. Stock Broking : This activity is allowed through establishment of locally incorporated joint venture company with foreign equity not exceeding 49 percent. The foreign equity participation will be limited to recognised foreign stock broking companies.

4. Financial consultancy services, i.e. financial advisory services provided by financial advisers etc. to customers on financial matters, investment and portfolio research and advice, advice on acquisition and on corporate restructuring and strategy.

The above activity is allowed to foreign bank branches licenced to do banking business in India and also to foreign financial services companies (including banks) through incorporation with foreign equity not exceeding 51 per cent.

5. Factoring : Allowed to foreign financial services companies including banks) through incorporation with foreign equity not exceeding 51 per cent.

6. Financial leasing : Allowed to foreign financial services companies (including banks) through incorporation with foreign equity not exceeding 51 per cent.

7. Venture capital : Allowed to foreign financial services companies (including banks) through incorporation with foreign equity not exceeding 51 per cent.

(c) As per the records, no representation appears to have been received from Trade Organizations.

- (d) and (e) Not applicable.

Export Defaulting Companies

2541. DR. MADAN PRASAD JAISWAL : Will the Minister of COMMERCE be pleased to state:

(a) the procedure followed by the Government to ensure that exports do take place, as per commitments made by the companies while applying for foreign collaboration;

(b) if so, the details of the companies who have failed in their export commitment during the last three years; and

(c) the action taken by the Government against those defaulting companies?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The procedure prescribed for this purpose, requires the exporters to file Legal Undertakings binding themselves to fulfil the prescribed export commitments.

(b) The list of companies who have failed in their export commitment is given in the statement enclosed.

(c) The relevant cases have been referred to the Enforcement Division of the DGFT which has initiated adjudication proceedings against such defaulting companies.

Statement

List of Cases of Non-fulfilment of EO by firms who had been given foreign collaboration approvals

1. 3/15/83/EOC-I M/s. Food Speciofoties Ltd.
2. 3/4/80/EOC-I M/s. Sumoe Engg.
3. 3/7/79/EOC-I M/s. Marshall Sons & Co. Ltd.
4. 3/19/79/EOC-I M/s. Indo-Foreign Chemicals.
5. 3/21/79/EOC-I M/s. Bharat Linders (P) Ltd.
6. 3/28/76/EOC-I M/s. Arnid-Hainemen.
7. 3/4/78/EOC-I M/s. New Standard Engg. Co.
8. 3/10/78/EOC-I M/s. Associated Cement Ltd.
9. 3/19/76/EOC-I M/s. Perfext Fatenore (P) Ltd.
10. 3/5/79/EOC-I M/s. Biocon India Ltd.
11. 3/10/82/EOC-I M/s. Microwave Products (I) Ltd.
12. 3/24/79/EOC-I M/s. Leather Craft (I) Ltd.
13. 3/40/76/EOC-I M/s. Reaves Cotton Ltd.
14. 3/11/77/EOC-I M/s. Indian Sptxing Meck Accessories Ltd.
15. 3/8/89/EOC-I M/s. Easton Chempfar Ltd.
16. 3/13/78/EOC-I M/s. Kirloskar Pneumafior Co. Ltd.

17. 3/31/78/EOC-I M/s. Bayrton Shoes Ltd.
18. 3/4/79/EOC-I M/s. Sreenivas Engg. Co.
19. 3/6/73/EOC-I M/s. Zenith Steel Paper & Inds. Ltd.
20. 3/23/76/EOC-I M/s. Concest India (P) Ltd.
21. 3/44/71/EOC-I M/s. Nucon Industries (P) Ltd.
22. 3/21/76/EOC-I M/s. Indo-Nippon Foods (P) Ltd.
23. 3/13/82/EOC-I M/s. Hindustan Parroliver Ltd.
24. 3/18/77/EOC-I M/s. Surinal Regn. Cuba.
25. 3/34/77/EOC-I M/s. Exports India Ltd.
26. 3/9/84/EOC-I M/s. I.A.E.C. Bombay Ltd.
27. 3/13/83/EOC-I M/s. East Coast Peotocides.
28. 3/37/77/EOC-I M/s. Indian Formance Co. Ltd.
29. 3/1/84/EOC-I M/s. Leisure Land (P) Ltd.
30. 3/11/71/EOC-I M/s. New Standard Engg. Co. Ltd.
31. 3/19/72/EOC-I M/s. Somexflex Abrossives (P) Ltd.
32. 3/11/73/EOC-I M/s. Chendon Engg. Inds. (P) Ltd.
33. 3/39/74/EOC-I M/s. Harish Chondor-Jain.
34. 3/3/70/EOC-I M/s. Vijay Industries.
35. 3/25/77/EOC-I M/s. Western Mech. Inds. (P) Ltd.
36. 3/9/79/EOC-I M/s. Condon Star Diamond Co Ltd.
37. 3/8/89/EOC-I M/s. Biox Packaging Ltd.
38. 3/5/87/EOC-I M/s. T.V.S. Electronics Pvt. Ltd.
39. 3/6/84/EOC-I M/s. National Peroxide Ltd.
40. 3/18/76/EOC-I M/s. Wadco R.G.S. Electro Products Pvt. Ltd.
41. 19/4/89/EOC-I M/s. Pepsi Feed Ltd.

Revamping of PSUs

2542. SHRI NARESH PUGLIA:

SHRI LAKSHMAN CHANDRA SETH:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have started review of Public Sector Undertakings under the administrative control of his Ministry;

(b) if so, the details thereof alongwith the purpose of reviewing such Public Sector Undertakings; and

(c) the efforts the Government propose to take to revive sick Public Sector Undertakings in a time bound manner?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) and (b) The performance review of the Public Sector Undertaking is undertaken periodically with a view to identifying constraints and to explore possibilities to improve their performance.

(c) Reference of sick PSUs to Board for Industrial and Financial Reconstruction (BIFR) is mandatory under the provisions of Sick Industrial Companies Act (SICA). BIFR consults various agencies including State Government, Central Government, Financial Institutions, Labour, Management etc. for revival or otherwise of the Company. Government actively participates in this process to enable finalisation of recommendations by BIFR. Implementation of revival schemes sanctioned by BIFR is closely monitored. BIFR is a quasi-judicial body.

Master Plan for Kanyakumari

2543. SHRI N. DENNIS : Will the Minister of TOURISM be pleased to state:

(a) whether there is any proposal under consideration of the Government to make Kanyakumari into an attractive tourist centre;

(b) if so, whether the Government have prepared any Master Plan in this regard; and

(c) if so, the details thereof and the time by which the said Master Plan is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) to (c) Development of tourism sites is a continuous process. The Tourism Master Plan prepared by the Tamil Nadu Government in 1993 has identified Kanyakumari as a Tourist Centre. The Union Government has already provided financial assistance for the implementation of two projects at Kanyakumari namely:-

- (i) Landscaping and Beautification of Beach
- (ii) Upgradation of Hotel Tamil Nadu at Kanyakumari.

Coal Deposits in Tamil Nadu

2544. SHRI VAIKO : Will the Minister of COAL be pleased to state:

a) whether any survey has been conducted to ascertain the lignite/coal deposits in Jayankotam area on the borders of Kadalooore and Trichy Districts of Tamil Nadu;

b) if so, the result of the survey;

c) whether there is any proposal for setting up a joint venture mining operation at Jayankotam; and

d) if so, the progress of the project?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : a) Yes, Sir.

b) The survey indicates a total geological reserve of about 1,1560 million tonnes of lignite over an area of 120 sq. kms.

(c) and (d) There is no proposal at Government of India level for setting up mining operations at Jayankotam. There is, however, such a project by the State Government of Tamil Nadu.

Recommendations of Disinvestment Commission

2545. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state:

(a) whether the Disinvestment Commission has recommended closure of two Public Sector Undertakings namely (i) the Electronic Trade and Technology Development Corporation and (ii) Rehabilitation Industries Corporation;

(b) if so, the steps recommended for proper utilisation of the resources of these units including their manpower; and

(c) the steps taken in pursuance thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) The Disinvestment Commission has recommended following package:-

(i) A pension-cum-insurance scheme as an alternative to one time payment for the employees who are not professionally qualified.

(ii) Career counselling on alternative available options for employees who are professionally qualified.

(iii) If some of the employees are interested in jointly running the franchises/business units of these PSEs, then Govt. should encourage by handing over these units to them after suitable pre-qualifications. In such cases, the lump-sum amount payable on account of VRS to these employees could be adjusted against the value of assets.

(c) The recommendations are being examined by the Government.

Shifting of Salt Commissioner's Office

2546. SHRI P.S. GADHAVI . Will the Minister of INDUSTRY be pleased to state:

(a) whether 70 per cent of the demand of salt in the country is met from Gujarat State;

(b) whether a number of representations have been made to the Government for shifting of Salt Commissioner Office from Calcutta to Ahmedabad;

(c) if so, the action taken by the Government thereon; and

(d) the time by which it is likely to be shifted to Ahmedabad?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Yes, Sir.

(b) to (d) There had been a persistent demand from the Salt Manufacturers' Associations of Gujarat as well as the state Government of Gujarat for shifting the Salt Commissioner's Office from Jaipur to a suitable location in Gujarat on the ground that Gujarat contributes about 70% of the total salt production in the country. After careful consideration of the matter, orders were issued by the Government in 1994 to shift the Salt Commissioner's Office from Jaipur to Gandhi Nagar (Gujarat). However, the All India Salt Department Employees' Union filed a writ petition in the Rajasthan High Court at Jaipur against the orders of the Government. While admitting the writ petition, High Court stayed the operation of Government's orders. The matter is still pending before the High Court and is, therefore, sub-judice.

[Translation]

Opening of Coal Mines in Maharashtra

2547. SHRI RAMDAS ATHAWALE : Will the Minister of COAL be pleased to state:

(a) the details of steps being taken by the Government to consider the pending proposals regarding opening of coal mines in Maharashtra;

(b) the number of coal mines likely to be opened in the State during the Ninth Five Year Plan; and

(c) the progress made in this regard so far?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) There is at present no proposal regarding investment in new coal mines in the State of Maharashtra pending for Government sanction.

(b) 13 new coal mines are proposed to be taken up in the State of Maharashtra during IXth Plan Period.

(c) Of the above 13 new coal projects, one project has been approved and is under implementation; project reports for 8 projects have been formulated and are at various stages of consideration for approval. Four project reports are under formulation / to be formulated.

CDR of Banks in Bihar

2548. SHRI RAGHUVANSH PRASAD SINGH : Will the Minister of FINANCE be pleased to state:

(a) the State-wise Credit Deposit Ratio (CDR) of the banks in the country alongwith the banks located in Bihar;

(b) whether Government have any scheme to bring the C.D.R. of banks in Bihar at par with the national average in view of the lowest C.D.R. of the banks in the State

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) State/Union Territory-wise Credit Deposit Ratio (CDR) of scheduled commercial banks, as on the last Friday of March 1997 is given in the statement enclosed.

(b) and (c) Reserve Bank of India had constituted a Task Force to look into the reasons for low CDR in Bihar and suggest remedial measures for its improvement. The Task Force has made a number of recommendations. Action on the recommendations is an on going process and the progress in this regard is monitored by the State Level Bankers' Committee.

(d) Does not arise.

Statement

State wise Credit Deposit Ratios of All Scheduled Commercial Banks as on the Last Friday of March, 1997

STATE/UNION TERRITORY	C/D RATIO (Per Cent)
1	2
1. Andhra Pradesh	77.6
2. Arunachal Pradesh	10.7
3. Assam	35.2
4. Bihar	30.5
5. Goa	25.0
6. Gujarat	49.7
7. Haryana	42.7
8. Himachal Pradesh	23.4
9. Jammu & Kashmir	38.8

1	2
10. Karnataka	71.5
11. Kerala	46.9
12. Madhya Pradesh	52.3
13. Maharashtra	68.7
14. Manipur	57.6
15. Meghalaya	14.3
16. Mizoram	14.0
17. Nagaland	24.0
18. National Capital Territory of Delhi	66.9
19. Orissa	49.0
20. Punjab	39.1
21. Rajasthan	44.2
22. Sikkim	17.7
23. Tamil Nadu	100.3
24. Tripura	37.8
25. Uttar Pradesh	31.6
26. West Bengal	50.0
27. Andaman & Nicobar Island	16.0
28. Chandigarh	88.0
29. Dadra & Nagar Haveli	18.6
30. Daman & Diu	21.8
31. Lakshadweep	8.8
32. Pondicherry	39.0
ALL-INDIA	57.3

Price Index

2549. SHRI CHINTA MOHAN:

PROF. PREM SINGH CHANDUMAJRA:

Will the Minister of FINANCE be pleased to state :

(a) the names of items whose costs are taken into account while determining the rate of Wholesale Price Index and Consumer Price Index, separately;

(b) whether any steps had been taken by the Government to improve the said Index during the past years; and

(c) if so, the details thereof and the outcome thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The wholesale price index (WPI) with base 1981-82 monitors on a weekly basis movement in the wholesale prices of 447 traded goods, of which 90 belong to the primary products sector, 20 to fuel, power sector

and 337 items to manufactured sector. Amongst the consumer Price indices, the Consumer Price Index for Industrial Workers, CIP (IW) is the most commonly used index. It monitors on monthly basis the retail price movement of 260 commodities which include groups such as (1) food; (2) pan, supari, tobacco and intoxicants; (3) housing; (4) fuel and light; (5) clothing, bedding and footwear; and (6) a number of services grouped as miscellaneous.

(b) and (c) An Expert Group has been set up by the Government in July, 1993 for the revision of the current series of WPI and to recommend a new base year and also take a fresh look at the basket of commodities that should be included in the WPI. The report of the Expert Group is awaited.

[English]

Reimbursement of Medical Expenses

2550. SHRI KAMAL NATH : Will the Minister of COAL be pleased to state:

(a) whether a huge amount is being spent on the reimbursement of medical expenses by the Coal India Limited and its subsidiaries, particularly in W.C.L. to its employees;

(b) if so, estimated amount spent on this account annually;

(c) whether any verification has been made to ascertain the actual spending such money by the employees; and

(d) if so, the criteria adopted for verification?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) While the audited figures for reimbursement of medical expenses to employees of CIL and its subsidiaries for the year 1997-98 are not yet available, the figures for 1995-96 and 1996-97 subsidiary-wise including WCL are as under:-

COMPANY	(RUPEES IN CRORES)	
	1995-96	1996-97
1	2	3
ECL	4.41	4.86
BCCL	3.99	5.14
CCL	3.58	3.54
NCL	1.22	1.19
WCL	2.78	3.78
SECL	3.40	4.46
MCL	0.87	1.04
CMPDIL	1.16	1.17

1	2	3
NEC/CIL	1.20	1.63
OVERALL CIL	22.61	26.81

(c) and (d) As reported by Coal India Ltd., verification of medical reimbursement are being done as per medical attendance rule of CIL which includes scrutiny of prescription, doctor's recommendation, cash-memo of medicine etc. The reimbursements are restricted to the limit prescribed in medical attendance rule of CIL.

[Translation]

Setting up Small/Medium/Big Industries

2551. SHRI BHERU LAL MEENA:
SHRI HARIKEWAL PRASAD:
SHRI SADASHIVRAO DADOBHA MANDLIK:
SHRI CHINMAYANAND SWAMI:
SHRI ASHOK NAMDEORAO MOHOL:
SHRI SHANKER PRASAD JAISWAL:

Will the Minister of INDUSTRY be pleased to state:

(a) the number of proposals received from the States for setting up of small/medium/big industries in their States during each of the last three years, State-wise;

(b) the number of such proposals pending with the Government for approval, State-wise;

(c) whether the Government propose to clear the pending proposals expeditiously; and

(d) if so, the time by which the pending proposals are likely to be cleared?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) In the liberalised regime, most of the industries are delicensed for which no applications for obtaining industrial licences are necessary. A statement showing State-wise receipt and disposal of applications for Industrial Licences during 1995, 1996 and 1997 from State Public Sector Undertakings/State Industrial Development Corporations is enclosed.

(c) and (d) Does not arise.

Statement

Statement showing State-wise Receipt and Disposal of applications from State Public Sector Undertakings/State Industrial Development Corporations for Industrial Licences

Name of the State	1995		1996		1997	
	Received	Disposed	Received	Disposed	Received	Disposed
Bihar	0	-	1	Letter of Intent	0	-
Karnataka	1	Letter of Intent	0	-	0	-
Kerala	2	1 Rejection and 1 Letter of Intent	0	-	1	Letter of Intent
Madhya Pradesh	1	Licence not required	2	2 Letters of Intent	0	-
Orissa	8	1 Rejection and 7 Letters of Intent	0	-	0	-
Punjab	2	2 Letters of Intent	0	-	0	-
Pondicherry	0	-	0	-	1	Lic. not required
Tamil Nadu	0	-	3	1 Rejection and 2 Letters of Intent	0	-
Total	14	14	6	6	2	2

Private Sector Banks

2552. SHRI HARI KEWAL PRASAD : Will the Minister of FINANCE be pleased to state :

(a) the number of private sector banks functioning in the country;

(b) the number of new banks in private sector and public sector opened during the last three years;

(c) whether a number of proposals pending with Government for opening of private sector banks;

(d) if so, the details thereof and the reasons for delay in giving clearance to those proposals; and

(e) the time by which all the proposals are likely to be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE & INSURANCE) (SHRI KADAMBUR M.R. JANARATHANAN) : (a) According to Reserve Bank of India (RBI) at present there are 35 private Sector Banking Companies functioning in the country.

(b) During the last 3 years (1994 to 1997) 9 new banks in the private sector have been set up and one Urban Co-operative Bank has converted itself into a private sector commercial bank. No new bank in the public sector has been set up during this period.

(c) to (e) According to RBI as of April, 98 forty applications for setting up new banks in the private sector are pending with them. These applications are at various stages of processing and are being considered in phases. Hence it will not be possible to indicate any definite time frame by which all pending applications will be considered.

[English]

Indo-Nepal Trade

2553. SHRI GORDHANBHAI JADAVBHAI JAVIYA : Will the Minister of COMMERCE be pleased to state:

(a) whether there has been a great imbalance in Indo-Nepal trade;

(b) if not, the reasons therefor; and

(c) the steps taken by the Government to expand trade between both the countries to minimise the imbalance in trade?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Bilateral trade between India and Nepal (in Rupees Crores) has been as given below during the last three years:-

Year	Exports from India	Imports into India	Balance
1995-96	536.45	166.95	(+)369.50
1996-97	588.30	227.45	(+)360.85
1997-98	596.17	351.56	(+)244.61

Source : DGCI&S, Calcutta.

The balance of trade has remained in favour of India. However, India's exports to Nepal have grown by 9.67% in 1996-97 and 1.34% in 1997-98, whereas the growth of exports from Nepal to India has been 36.24% and 54.57% respectively during the same period.

(b) Scarcity of raw-materials and other industrial inputs low level of industrial development and technical skill and shortage of power in Nepal may be identified as some

of the reasons for the balance of trade remaining in favour of India. and

(c) The following steps have been taken to expand trade between the two countries and to minimise the imbalance in trade:-

- (i) Flow of goods across the Indo-Nepal border is allowed free and unhampered from the respective territories;
- (ii) Both countries provide access to the respective markets free of customs duty and quantitative restrictions for all primary products;
- (iii) India provides access to the Indian market, on non-reciprocal basis, free of customs duty and quantitative restrictions for all Nepalese manufacture products irrespective of the sourcing of the raw-materials by Nepal, except for a small negative list;
- (iv) Nepal extends to imports from India upto 20% reduction in the rates of normal import duty;
- (v) On the request of Government of Nepal, Govt. of India supplies to Nepal essential commodities which are normally not allowed to be exported under the Export-Import Policy.
- (vi) Government of India refunds to Government of Nepal the excise duties on the goods manufactured in India and exported to Nepal. Govt. of Nepal do not levy import duty on such goods to the extent of the refund of excise duty by India;
- (vii) Movement of goods for bilateral trade is allowed through 22 customs regulated check posts on the Indo-Nepal border;
- (viii) Inter-Government Committee (IGC) has been established with representation at Government level, for periodical meetings to address the problems relating to bilateral trade. A High Level Task Force (HLTF) has been set up to monitor the progress and implementation of projects being executed in Nepal with Indian cooperation. In the private sector the Confederation of Indian Industry (CII) and the Federation of Nepal Chambers of Commerce and Industry (FNCCI) have set up a Working Group and signed a Memorandum of Understanding (MoU) to expand commercial and economic interaction;
- (ix) Government of India has established a Special Nepal Window to facilitate approvals for Indian investment in Nepal. The general limit of US \$4 million for fast track clearances by Reserve Bank of India for investment abroad in freely

convertible currency has been raised to Rupees 25 crores for Indian investments in Nepal in Indian rupees;

- (x) In the case of all SAARC Member countries, including Nepal, the general limit of US\$4 million for fast track clearances for investment in US \$ has been raised to US \$8 million.

Production of Cardamom

2554 SHRI A. VENKATESH NAIK : Will the Minister of COMMERCE be pleased to state:

- (a) the per hectare production of cardamom in India;
- (b) the steps taken to raise the per hectare production;
- (c) whether new high yielding varieties of cardamom have been developed by Scientists in India; and
- (d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Productivity of Cardamom (Small) in 1997-98 is estimated to be 149 Kg/ha.

(b) Some of the steps taken to increase productivity include:-

- i) supply of high yielding planting material;
- ii) assistance for replantation;
- iii) assistance for irrigation and land development;
- iv) extension services; and
- v) modernising agricultural practices.

(c) and (d) Indian Cardamom Research Institute (ICRI) has released three high yielding varieties of Cardamom viz. ICRI-1, ICRI-2, and ICRI-3, Kerala Agriculture University has released PV-1, Indian Institute of Species Research and University of Agricultural Sciences, Bangalore have also released CCS-1 and Mudigere-1 varieties.

Revamp of FIPB

2555. SHRI S.S. OWAISI : Will the Minister of INDUSTRY be pleased to state.

(a) whether the Government had revamped the Foreign Investment Promotion Board (FIPB) and laid down transparent guidelines for the fast disposal of investors' applications;

(b) if so, even after the revamping there is welcome pace of foreign investment proposals;

(c) whether there is a great differences between his Ministry and administrative Ministry on the procedure of vetting cases for foreign investors;

(d) if so, the details thereof; and

(e) the steps taken by the Government to minimise the differences?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Yes, Sir. The Government have reconstituted the Foreign Investment Promotion Board (FIPB) in July, 1996 and laid down clear objectives and functions for the Board. Elaborate guidelines have been issued for the consideration of foreign direct investment (FDI) proposals by FIPB so as to make the process transparent, non-discriminatory and time-bound.

(b) With the aforesaid steps, there has been an encouraging trend in FDI.

(c) Recommendations on foreign investment proposals are made by the FIPB taking into consideration the policy applicable to the sector, the comments of the Administrative Ministries concerned and the general policy on FDI.

(d) and (e) Does not arise.

Export Promotion Council

2556. SHRI ANNASAHEB M.K. PATIL : Will the Minister of COMMERCE be pleased to state:

(a) the details of Export Promotion Council presently operating in the country for promotion of export and the functions of such councils;

(b) whether performance of these Export Promotion Councils have been reviewed recently for the last three years ending on 31.3.1998;

(c) if so, the details of the performance. Council-wise, in terms of set norms of assessment;

(d) the details of fresh initiatives taken proposed during 1998-99 for restructuring the functioning of various export promotion councils and strengthening their network to cater the interests of exporters more effectively; and

(e) the details of proposals received from the Government of Maharashtra in this regard and the action taken by the Government thereon?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) There are 11 Export Promotion Councils under the Ministry of Commerce and 9 falling under the purview of Ministry of Textiles. A list of these councils is given in Statement J. Functions of Export Promotion Councils are listed in Statement II enclosed.

(b) to (e) The performance of these Councils is reviewed on a regular basis especially when their budget proposals are discussed and also while reviewing their

Annual Reports for laying on the Table of Both Houses of Parliament. Apart from that, their performance is also periodically reviewed at various levels on a regular basis and wherever necessary, required remedial action is taken. Government is continuously making efforts, from time to time to further strengthen these Councils so as to cater to the needs of the exporting community in an effective manner. No specific decision has been taken for restructuring the functions of the various Export Promotion Councils. Since no general restructuring of Export Promotion Councils is considered necessary, no such proposal from the Government of Maharashtra is receiving the attention of the Government in the Ministry of Commerce.

Statement I

List of Export Promotion Councils

- (i) Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council (CHEMIXCIL), Mumbai.
- (ii) Cashew Export Promotion Councils, Kochi.
- (iii) Chemicals and Allied Products Export Promotion Councils (CAPEXCIL), Calcutta.
- (iv) Electronics and Computer Software Export Promotion Council, New Delhi
- (v) Engineering Export Promotion Councils (EEPC), Calcutta.
- (vi) Gems & Jewelry Export Promotion Councils, Mumbai.
- (vii) Councils for Leather Exports, Chennai.
- (viii) Overseas Construction Council of India, Mumbai.
- (ix) Plastics & Linoleums Export Promotion Council, Mumbai.
- (x) Shellac Export Promotion Council, Calcutta.
- (xi) Sports Goods Export Promotion Council, New Delhi.
- (xii) Apparel Export Promotion Council, New Delhi.
- (xiii) Carpet Export Promotion Council, New Delhi.
- (xiv) Cotton Textiles Export Promotion Council, Mumbai.
- (xv) Export Promotion Council for Handicrafts, New Delhi.
- (xvi) Indian Silk Export Promotion Council, Mumbai.
- (xvii) Synthetic and Rayon Textiles Export Promotion Council, Mumbai.
- (xviii) Handloom Export Promotion Council, Chennai.
- (xix) Wool & Woolens Export Promotion Council, New Delhi.
- (xx) The Powerloom Development and Export Promotion Council.

Statement II

The major functions of the Export Promotion Councils are:-

- (a) To provide Commercially useful information and assistance to their members in developing and increasing their exports;
- (b) To offer professional advice to their members in areas such as technology upgradation, quality and design improvement, standards and specifications, product development, innovation, etc:
- (c) To organise visits of delegations of its members abroad to explore overseas market opportunities;
- (d) To organise participation in trade fairs, exhibitions, and buyer-seller meets in India and abroad;
- (e) To promote interaction between the exporting community and the Government both at the Central and State levels; and
- (f) To build a statistical base and provide data on the exports and imports of the country, exports and imports of their members, as well as other relevant international trade data.

Support Price of Jute

2557. SHRI RANJIB BISWAL:

SHRI AMAR ROY PRADHAN:

Will the Minister of TEXTILES be pleased to state:

(a) whether the jute growers in the Country, particularly from Orissa and West Bengal are not getting support price for their product;

(b) if so, the steps taken to regulate the marketing of jute and to pay support price to the jute growers in these States;

(c) whether the raw jute was sold far below the support price in majority of areas of Assam and Bengal during the current year; and

(d) if so, the reasons for which the Jute Corporation of India did not purchase raw jute particularly in Assam and North Bengal Areas?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The Jute growers in the Country including Orissa & West Bengal are getting support price for their product.

(b) Does not arise.

(c) The price difference between minimum support price and market ruling price was very nominal at some places. The departmental purchase Centres were conducting procurement of raw jute from the growers.

(d) As in other areas the Jute Corporation of India had started procurement in Assam & North Bengal from end of July, 1997. 1.84 lakh bales were purchased at 32 departmental purchase Centres of Jute Corporation of India in North Bengal. In Assam & Meghalaya 1.71 lakh bales of Jute were procured at 26 Departmental Purchase Centres of JCI

Loans to Sugar Mills

2558. SHRI SADASHIV RAO DADOBHA MANDLIK : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government are aware that the sugar mills which were given Licence in Maharashtra during the Seventh and Eighth Five Year Plans have not received loan as yet;

(b) if so, the reasons therefor; and

(c) the time by which the loan is likely to be provided to the said sugar mills?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) The information is being collected and will be laid on the Table of the House.

[Translation]

Adequate Facilities to Foreign Tourists

2559. SHRI PANKAJ CHOUDHRY:
SHRI MOHAN SINGH:
PROF. AJIT KUMAR MEHTA :

Will the Minister of TOURISM be pleased to state;

(a) whether the Government have received complaints that the foreign tourists are reluctant to visit India due to non-availability of adequate facilities here;

(b) if so, the details thereof;

(c) whether the Government have formulated any specific scheme to provide adequate facilities to the foreign tourists;

(d) if so, the details thereof;

(e) whether Government are aware of the fleecing of innocent tourists at the IGS airport by the touts and the agents of illegal tourist offices operating in the city; and

(f) if so, the safety measures taken/being taken by the Government to check the activities of the touts and agents of such illegal tourist offices?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) No, Sir,

(b) Does not arise.

(c) and (d) All the major airports are undergoing upgradation to provide better free and paid facilities.

(e) Yes, Sir.

(f) Ministry of Tourism has held discussions with Airports Authority of India, Delhi Police and other concerned authorities to regulate the activities of "touts" and agents of unscrupulous establishments.

[English]

Agreement with Japan

2560. SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state:

(a) whether according to an agreement signed by the Ambassador of Japan with Secretary of his Ministry, Japan is likely to spend Rs. 4,157 crores as a loan for 10 specific projects in India;

(i) if so, the details of the terms and conditions to repay the loan;

(c) the details of those 10 specific projects; and

(d) the States in which these projects are likely to be established?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Exchange of Notes were signed between the Finance Secretary and the Ambassador of Japan to India on 31.10.1997 for 10 projects under Overseas Economic Cooperation Fund's 1997-98 loan package.

(b) The repayment of the loan will be 20 years after the grace period of 10 years. The rate of interest would be 2.3% per annum for general projects and 2.1 % per annum for environment related projects.

(c) and (d) :

Name of Project	Amount (Yen million)	State
(1) Simhadri and Vizag Transmission System Project	10,629	A.P.
(2) Srisailem Left Bank Power Station Project (III)	14,499	A.P.
(3) Dhauliganga Hydro- electric Power Plant Construction Project (II)	16,316	U.P.
(4) Bakreswar Thermal Power Station Project (II)	34,151	W.B.

1	2	3
(5) Tuticorin Port Dredging Project	7,003	T.N.
(6) Punjab Afforestation Project	6,193	Punjab
(7) Madhya Pradesh Sericulture Project	2,212	M.P.
(8) Manipur Sericulture Project	3,962	Manipur
(9) Rengali Irrigation Project	7,760	Orissa
(10) SIDBI(VI)	30,000	All Over India

Policy for Unemployment

2561.DR. SANJAY SINH Will the Minister of FINANCE be pleased to state:

(a) whether the Government have formulated any policy to tackle the growing unemployment as a result of raising the age of retirement;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) Increase in the age of retirement of Central Government employees does not have direct relation with the unemployment situation. Even after increase in the age of retirement, adequate vacancies would be available to fill up the posts which are considered functionally necessary.

Decline in the Export of Agricultural and Marine Products

2562.SHRI G. GANGA REDDY : Will the Minister of COMMERCE be pleased to state:

(a) whether there has been a sharp decline in the export of agricultural and marine products during the first nine months of the last fiscal year;

(b) if so, the details thereof; and

(c) the steps proposed to be taken to boost the exports of these products?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (b) Yes, Sir. There has been a decline of approximately 1% in value terms in the export of agricultural and marine products during the first nine months of 1997-98 as compared to the corresponding period of 1996-97.

Percentage decreases in value terms in case of agricultural products was around 8.2% while marine products registered an increase of 11.6%. There have been increases in the export of pulses, basmati rice, tobacco, spices, sesame & niger seeds, HPS groundnut, guar gum meal, meat & meat preparations, floriculture, fruits and vegetables, processed fruits and juices, tea and coffee in value terms. On the other hand, export of Non-basmati rice, wheat, oil meals, sugar and miscellaneous processed item have shown a decline.

(c) Some of the steps taken/proposed to be taken to enhance exports of these products include:-

- (i) Providing assistance for raising small and large nurseries for production of good quality planting material, upgradation of technical knowhow of farmers through demonstrations, trainings and publicity, rejuvenation of old orchards, area expansion, supply of minikits for vegetables, improving productivity and training of farmers.
- (ii) Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment;
- (iii) Providing financial assistance to exporters/growers/Cooperative Societies for development of infrastructural facilities such as purchase of specialised transport units, establishment of pre-cooling/cold storage facilities, integrated post-harvest handling systems (pack houses);
- (iv) Grant of financial assistance for improved packaging and strengthening of quality control;
- (v) Establishment of vapour heat treatment facilities for improving the acceptability of the product especially the mangoes in overseas markets;
- (vi) Grant of Air-Freight Subsidy for exports of selected fresh vegetables and fruits;
- (vii) Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions;
- (viii) Setting up of integrated cargo handling and cold storage facilities at various International Airports for handling export of perishable items such as fresh fruits and vegetables.
- (ix) Providing assistance in development of data base and dissemination of market information.

Conversion of SSIs into Private Ltd. Companies

2563.SHRI S.S. OWAISI : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to convert existing Small Scale Industries into private limited companies in order to lend them transparency in their operation;

(b) if so, the details thereof;

(c) whether sickness in the SSIs is increasing year after year due to non-availability of timely bank credit; and

(d) if so, the details thereof and steps proposed to be taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) The small scale industries are set up in the Private Sector as Proprietorship or Partnership or Private Ltd. or limited company. According to the Second All India Census of small industries held for the year 1987-88, 80.48% of small industries were functioning as Proprietary concern, 16.84% Industries were functioning as Partnership concern and 2.01% Industries were found as limited/Private Ltd. Companies. Setting up of small industries as limited/private limited companies no doubt provides legal status to any enterprise and helps them in having better access to institutional credit and negotiating in the world market. Government, however, does not regulate the mode of operation of small industries. Selecting the mode of operation is purely an entrepreneurial decision in private sector.

(c) and (d) No, Sir. The number of sick units have decreased from 2,68,815 at the end of March, 1995 to 2,35,032 at the end of March, 1997. To tackle the problem of sickness, a number of follow-up actions have been taken on Nayak Committee recommendations like:

- (i) Definition of sick SSI Units modified.
- (ii) Reduced rate of interest for rehabilitation.
- (iii) Prompt viability studies/nursing programmes for identified sick units.
- (iv) At important regional Centres and Head Office, to deal with the sick industrial units, separate cells with expert staff created.

In addition, there are State Level Inter-Institutional Committees to review the position and for revival of sick units at state level.

Overseas Investment Proposals

2564. SHRI TATHAGATA SATPATHY : Will the Minister of FINANCE be pleased to state:

(a) the number of proposals approved by the Reserve Bank of India for overseas investment upto the end of March, 1998:

(b) the details of those proposals;

(c) whether the Government have made any review on the implementation of the overseas investment proposals during 1995-96, 1996-97 and 1997-98; and

(d) if so, the result thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) 542 proposals were approved by RBI upto the end of March, 1998. These proposals comprise of 390 fresh proposals and 152 existing cases and involve total equity and loan of US\$ 766.28 M. and issue of corporate/bank guarantee to/on behalf of the overseas Joint Ventures/Wholly Owned Subsidiaries to the extent of US\$298.63 m.

(c) and (d) The outflows on account of the investment in overseas projects is kept under regular review. Actual outflows during 1996-97 and 1997-98 were about US\$ 214 m. and US\$ 121 m. respectively.

[Translation]

Work Orders of HEC

2565. SHRI RAM TAHAL CHAUDHARY : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Heavy Engineering Corporation Limited has not completed in time the work orders received from various departments;

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken by the Government in this regard and the action taken against the erring officials?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) to (c) Yes, Sir. There has been some delay primarily due to resource constraints. A revival plan envisaging infusion of plan (equity)/non-plan funds has been sanctioned by the BIFR and approved by the Government. In addition to this, Counter Guarantees by Government amounting to Rs. 253 crores have also been extended for credit facilities from the Bank. Due to these measures there has been improvement in timely completion of work orders in the last two years.

[English]

Prices of Tea and Coffee

2566. SHRI MOHAN RAWALE : Will the Minister of COMMERCE be pleased to state:

(a) whether there is a steep hike in the prices of tea and coffee during the last one year;

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

(c) the steps taken by the Government to check the prices of tea and coffee?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (c) There has been an increase in the prices of Tea over the last one year and the average auction prices (All India) rose from a level of Rs. 62.61 per kg in June, 1997 to Rs. 91.98 per kg in January, 1998. The prices have started showing a declining trend since February, 1998 and according to the latest indications the average All India auction prices have been of the order of Rs. 75.21 per kg during May, 1998. Rise in the prices of Tea has been on account of shortfall in tea production in other producing countries like Kenya coupled with higher domestic and export demand for Indian Tea.

Steps taken to ensure availability of sufficient Tea in the domestic market include (i) directive of the Tea Board to the producers for strict compliance with the provisions of Tea Marketing (Control) Order, 1984 (ii) relaxation of policy regarding sale in the domestic tariff area (DTA) by Export Oriented Units and Units in Free Trade zones for a period of 6 months upto June, 1998 (iii) supply of Nivedan Tea to the consumers at cheaper prices etc.

There has not been any increase in the prices of Coffee during the last one year.

Exemption of Cooperative Banks from Income Tax

2567. SHRI MOINUL HASSAN : Will the Minister of FINANCE be pleased to state:

(a) whether the State Cooperative Banks are exempted from paying income tax on interest earned on the Government securities;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether levying of income tax is not limiting the capacity of State Cooperative Banks for meeting the credit needs of farmers and other weaker sections;

(e) if so, the details thereof;

(f) whether the Government are contemplating withdrawal of income tax being levied on State Cooperative Banks in all States; and

(g) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Under Section 80P of the Income Tax Act, 1961, deduction is available in the Case of an assessee being a cooperative bank if the gross total income includes any income from business of banking or providing credit facilities to its

members or income by way of interest or dividends derived by the society from its investments with any other cooperative society, to the extent of whole of such amount.

(c) to (e) Deduction u/s 80P of the Income Tax Act, 1961 is not available in respect of non-banking income. While distinguishing the banking and non-banking income, it has been held by the Hon'ble Madhya Pradesh High Court (119 ITR 327) and upheld by Hon'ble Supreme Court of India (218 ITR 438), in the case of Madhya Pradesh State Cooperative Bank Vs. Additional CIT, Madhya Pradesh that the income earned from investments out of reserve funds in securities which are not for meeting the withdrawals by the depositors or other transactions cannot be said to be utilised to meet the need of repayment to the depositors and will hence not qualify for deduction u/s 80P.

(f) The Government are not contemplating withdrawal of existing provisions in this regard.

(g) Question does not arise.

Procurement of Rubber by STC

2568. SHRI A.C. JOS : Will the Minister of COMMERCE be pleased to state:

(a) whether State Trading Corporation (STC) has been procuring rubber from the open market;

(b) if so, the quantum of rubber procured from open market, particularly from Kerala during each of the last six months; and

(c) the rates at which the STC procured the rubber?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (c) Yes, Sir. The STC, on the direction of the Government of India, has procured a total quantity of 9596 MTs of Natural Rubber from Kerala during 1997-98 at an average price of Rs. 31.80 per kg.

The Government in May'98 has again ordered the procurement of 20,000 MT of Natural Rubber.

Declaration of Mahamaham as National Festival

2569. SHRI K. KRISHNAMOORTHY : Will the Minister of TOURISM be pleased to state:

(a) whether Government are aware that Kumbakomaun in Tamil Nadu is a famous temple city surrounded by big temples and "Mahamaham" like "Kumbh Mela" is being celebrated every 12 years; and

(b) the steps being taken to make this "Mahamaham" as National Festival; as thousands and thousands pilgrims come from all parts of the country attend this festival to Kumbakomaun?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) Yes, Sir.

(b) The Central Government provides Central Financial Assistance to identified fairs and festivals on receipt of specific proposals from State Governments. These fairs and festivals are promoted overseas vis-a-vis the needs of each market by way of advertising in the print and electronic media, brochures support, participation in marts, direct mailing and organising of "Know India" seminars. However, no proposal for identification of this festival for Central financial assistance has been received from the State Government.

Capital level for Garment Industry

2570. SHRI C.P. RADHAKRISHNAN : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is considering to increase the level of Capital from 1 crore to 3 crore for garment industry; and

(b) if so, the details thereof and its effect on Industry in present cost?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) According to the latest Government order, notified vide S.O. 857 (E) dated 10.12.97 in the Part-II, Section 3, Sub-Section (ii) of the Gazette of India Extraordinary dated 11.12.97, the limit of investment in plant and machinery for small scale industrial undertakings, including those in the ready-made garment sector, has been increased to Rs. 3 crores.

TWRF Scheme

2571. SHRIMATI BHAVNA DEVRAJBHAI CHIKHALIA: SHRI SHIVRAJ SINGH CHOUHAN:

Will the Minister of TEXTILES be pleased to refer to the reply given to USQ No. 2692 dated August 8, 1997 and SQ No. 43 dated November 21, 1997 regarding TWRF Scheme and State:

(a) whether a final decision has since been taken in this regard;

(b) if not, the reasons for delay and the details of the efforts made during this intervening period to this effect;

(c) the present status of the issue; and

(d) by when the funds are likely to be released for this purpose to obviate the enormous problems being faced by these workers?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (d) The Textile Workers' Rehabilitation Fund

Scheme (TWRFS) has not so far been extended to Central and State PSUs. The matter is still under examination in consultation with the concerned authorities.

Tractor Production Capacity of HMT

2572. SHRI K.S. RAO : Will the Minister of INDUSTRY be pleased to state:

(a) the present tractor production capacity and capacity utilisation of the Hindustan Machine Tools Limited (HMT);

(b) whether the HMT has any proposal to increase its tractor production and capacity utilisation in collaboration with a joint venture partner;

(c) if so, the measures taken by HMT in that direction and the success achieved thereby;

(d) whether HMT is also planning to sign a memorandum of understanding with its erstwhile technical collaborators Motkov to launch tractor of higher horse power; and

(e) if so, the details thereof and the results of the efforts made in that regard?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) The production of HMT Tractors during 1997-98 was 19,501 numbers which is 103% of its capacity.

(b) to (e) HMT has been looking for a joint venture partner including renewal of collaboration with erstwhile collaborator M/s. Motkov. Efforts in this direction are continuing.

[Translation]

Coal Depots to Displaced Persons by ECL

2573. PROF. RITA VERMA : Will the Minister of COAL be pleased to state:

(a) whether the coal depots have been given to the displaced persons of Eastern Coalfield Ltd, (ECL) as compensation:

(b) if so, the total number of coal depots given to the displaced persons during 1994-95, 1995-96 and 1996-97;

(c) whether any irregularities have been noticed in this regard?

(d) if so, whether any inquiry is being conducted into the matter; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) As reported by Coal India

Limited, no Coal depot has been given to the displaced persons of Eastern Coalfields Ltd. (ECL) as compensation.

(b) to (e) Do not arise in view of reply to (a) above.

[English]

Powerloom Service Centre in Andhra Pradesh

2574. SHRI R. SAMBASIVA RAO : Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government have agreed to the request of Andhra Pradesh Government for sanctioning powerloom service centre;

(b) whether the State Government has prepared a plan for development of powerloom in the State;

(c) whether the new centre proposed to be set up at Hyderabad; and

(d) if so, the details thereof alongwith the broad activities of the centres?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Yes. *ಓಹ*.

(b) Yes, Sir. The Government of Andhra Pradesh has proposed to develop powerloom in the state.

(c) and (d) Yes, Sir. The Government of India will provide a one-time grant of Rs. 3.00 lakhs for the purchase of machineries and equipments for the centre. The recurring expenditure, including salaries of the staff will be provided by the Powerloom Weavers Association of Andhra Pradesh. The broad activities of the Powerloom Service Centres are as under:-

1. To impart practical training to powerloom weavers.
2. Training in loom working, maintenance etc.
3. Disseminating knowledge, techniques with visits.
4. Guide Powerloom Workers on modernisation.
5. Collect and compile annual statistics on units, looms etc.
6. Guide the Powerloom Weavers in marketing their products.
7. Provide testing facilities to the powerloom industry.
8. Conduct seminars/workshops/exhibitions for the benefit of the powerloom weavers.
9. To co-ordinate with Government.
10. To take up the problems of powerloom weavers to the concerned authorities.
11. To provide technical consultation facility by rendering technical service.
12. To advise and guide powerloom units in design development and diversification of products.

Assurance relating to RRB and Staff

2575. SHRI BASU DEB ACHARIA : Will the Minister of FINANCE be pleased to state:

(a) the assurance relating to Regional Rural Banks and their staff pending before the Parliament detailing the period of such pendency and the reasons for delay; and

(b) the time by which these assurances are likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Two Assurances relating to replies given to Parliament Question on Regional Rural Banks (RRBs) are pending which are detailed as below:

1. Assurance given in the reply to Lok Sabha Unstarred Question No. 388 dated 22.11.1996 regarding cases of robberies in RRBs. National bank for Agriculture & Rural Development (NABARD) has reported that since the information had to be collected from each of the 196 RRBs, there has been a delay in fulfilling the Assurance. On receipt of complete information for all RRBs an implementation report to fulfil the Assurance will be laid on the Table of the House.
2. Assurance given in reply to Lok Sabha Unstarred Question No. 5022 dated 07.05.97 regarding financial irregularities in RRB of Gorakhpur. NABARD has reported that the matter is being re-investigated through a Senior Officer of the Sponsor Bank i.e. State bank of India (SBI). On receipt of necessary information from the sponsor bank, necessary implementation report for fulfillment of the Assurance will be submitted.

Export of Rubber

2576. SHRI S. AJAYA KUMAR : Will the Minister of COMMERCE be pleased to state:

(a) Whether the Government of Kerala has requested the Union government to export rubber; and

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

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Yes, Sir. As per the current EXIM Policy, the export of Natural Rubber is under OGL and there is no bar on export of rubber either by Govt. or any private agencies. In respect of the rubber procured under Market Intervention Operation, the Government has already directed the STC to export and/or sell the entire quantity of procured rubber to the Advance Licence Holders.

Impunity/Protection enjoyed by M.Ps.

2577. SHRI G.M. BANATWALLA :
SHRI KAMAL NATH :

Will the Minister of PARLIAMENTARY AFFAIRS be pleased to state:

(a) whether the Government have taken note of the recent judgment of the Supreme Court with respect to impunity/protection enjoyed by MPs under article 105(2) for anything said of any vote given in Parliament or any committee thereof;

(b) if so, the reaction of the Government thereto;

(c) whether the Government propose to bring legislation or constitution amendment to provide that the impunity or protection shall not extend to cases involving corruption; and

(d) if so, details thereof, if not, reasons therefor?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : (a) Yes Sir.

(b) to (d) Implications of the judgement are being examined.

Revival of Visakhapatnam Steel Plant

2578.DR.T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state:

(a) whether Visakhapatnam Steel Plant has submitted a report of its sickness to the Board of Industrial Finance and Reconstruction;

(b) if so, the details of the report; and

(c) the details of the help/assistance the Government have agreed to provide to the Steel Plant?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) The Board for Industrial and Financial Reconstruction (BIFR) has reported that Rashtriya Ispat Nigam Limited (RINL) (Visakhapatnam Steel Plant) is not registered with it.

(c) Ministry of Steel & Mines has reported that the proposal of RINL to convert their loans into equity has recently been considered by Government and it has been decided to give the following financial reliefs to the company:

(i) conversion of Rs. 791 crores interest free loan to 7% non-cumulative redeemable preference capital, redeemable after 2000-01; and

(ii) conversion of Rs. 542.47 crore of loan advanced to RINL from 1993-94 to 1995-96 into 7% non-cumulative preference capital redeemable after 10 years.

Pending Core Sector Project

2579.SHRIMATI JAYANTI PATNAIK : Will the Minister of INDUSTRY be pleased to state:

(a) the State-wise core sector projects pending with the Government;

(b) the Ministry-wise details thereof;

(c) whether the Government have a proposal to expedite the clearance of those projects; and

(d) if so, the steps taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to(d) Under the present Industrial Policy most of the industries have been de-licensed for which entrepreneurs are free to file Industrial Entrepreneur Memorandum (IEM), and for which no prior approval is required. Only seven items require a licence under the Industries (Development & Regulation) Act, 1951 from the Central Government for setting up industrial units. The number of State-wise applications pending with the Central Government for grant of Industrial Licence as on 30.4.98 is given in the Statement enclosed. Applications for industrial licence are disposed of expeditiously in accordance with the rules & policy in force.

Statement

Statement showing IL applications awaiting clearance (state-wise) as on 30.4.98

S.No.	Name of the State	Total
1	2	3
1.	Andhra Pradesh	29
2.	A & N Islands	0
3.	Arunachal Pradesh	1
4.	Assam	0
5.	Bihar	4
6.	Chandigarh	0
7.	Dadar & Nagar Haveli	3
8.	Daman & Diu	4
9.	Delhi	0
10.	Goa	4
11.	Gujarat	14
12.	Haryana	20
13.	Himachal Pradesh	1
14.	Jammu & Kashmir	3

1	2	3
15.	Karnataka	12
16.	Kerala	2
17.	Lakshadweep	0
18.	Madhya Pradesh	26
19.	Maharashtra	53
20.	Manipur	0
21.	Meghalaya	1
22.	Mizoram	0
23.	Nagaland	0
24.	Orissa	4
25.	Pondicherry	2
26.	Punjab	5
27.	Rajasthan	7
28.	Sikkim	0
29.	Tamil Nadu	21
30.	Tripura	0
31.	Uttar Pradesh	25
32.	West Bengal	10
33.	More than 1 St	2
Total		253

Tourism Export Promotion Council

2580. SHRI K. YERRANNAIDU :
SHRI S.S. OWAISI :

Will the Minister of TOURISM be pleased to state:

(a) whether the Government are considering any proposal to set up Tourism Export Promotion Council to boost foreign exchange earnings therefrom;

(b) if so, the details thereof alongwith composition of the Council and terms and conditions or promotion of tourism in the country; and

(c) the action taken to identify countries which are interested to invest in tourism sector?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) No, Sir.

(b) and (c) Does not arise.

Instrumentation Ltd.

2581. SHRI GIRDHARI LAL BHARGAVA : Will the Minister of INDUSTRY be pleased to state:

(a) whether M/s. Instrumentation Limited, Kota, has become sick and the jobs of over 3000 workers are at risk; and

(b) the steps taken by the Government for revival of the above company and protect the jobs of the workers?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Instrumentation Limited Kota was declared as a sick company by BIFR under SICA on 19.1.1994. The revival of the company is before BIFR which is a quasi-judicial body.

Pending Fertilizer Projects

2582. SHRI SUSHIL KUMAR SHINDE : Will the Minister of INDUSTRY be pleased to state:

(a) whether the fate of four major public sector fertilizer projects, and rehabilitation of two such existing sick units has been in jeopardy for years together; and

(b) if so, the stage at which each of the projects is pending and the progress so far made in clearance thereof ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) The four projects are Rashtriya Chemical & Fertilizers Ltd. (RCF)'s UREA expansion project at Thal in Maharashtra, Krishak Bharati Corpn. Ltd. (KRIBHCO)'s UREA expansion project at Hazira in Gujarat and UREA Project at Gorakhpur in UP and Indian Farmers Fertilizer Cooperative (IFFCO)'s Urea Project at Nellore in Andhra Pradesh. The two sick units are Hindustan Fertilizer Company Ltd. (HFC) and Fertilizer Corporation of India Ltd. (FCI).

Proposals for investment approval in respect of Rashtriya Chemicals & Fertilizers Limited (RCF)'s Urea Expansion Project at Thal in Maharashtra and Krishak Bharati Cooperative Limited (KRIBHCO)'s Urea Expansion Project at Hazira in Gujarat and Urea Project at Gorakhpur in Uttar Pradesh have been received during the period December 1997 — February 1998. These proposals have cleared the preliminary stages of investment approval.

The detailed feasibility report for Indian Farmers Fertilizer Cooperative (IFFCO)'s urea project at Nellore in Andhra Pradesh was circulated to the appraising agencies in March, 1996. Investment approval in respect of this project inter alia depends on the reassessment of the demand-supply gap for nitrogen nutrient in the terminal year of the Ninth Five Year Plan.

Hindustan Fertilizer Corporation Limited (HFC) and Fertilizer Corporation of India Limited (FCI) were declared as sick companies by the Board for Industrial and Financial Reconstruction (BIFR) in 1992. The revival packages for the operational units of these companies approved in

principle by the Government in April 1995 could not be implemented for want of resources. Government has since sanctioned the proposal for revival of the Namrup units of HFC. The proposals in respect of the other units of HFC and FCI are being reformulated having regard to the considerations of unit-wise viability and the feasibility of tying up the fresh funds required.

[Translation]

Bogus Insurance

2583. DR. MADAN PRASAD JAISWAL :
SHRI RAM TAHAL CHAUDHARY:

Will the Minister of FINANCE be pleased to state:

- (a) whether the cases of bogus insurance are taking place in the country;
- (b) if so, the number of cases came to light during the last three years; and
- (c) the number of officers held responsible for such negligence and the punishment awarded to them?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) The General Insurance Corporation of India, Mumbai has reported that no bogus insurance policies are issued by the subsidiary companies, However, some cases of bogus insurance policies issued unauthorisedly by private persons/organisations have come to the notice. The total number of such cases during the last three years was 9. These bogus insurances were issued by outside parties and the company officials were not involved. These cases were reported to police/CBI for investigations and appropriate action.

Life Insurance Corporation of India has reported that the total number of cases of bogus business during the last three years was 123. The number of company officials involved was 166. Appropriate administrative action was taken against these officials as per the rules including examination from vigilance angle.

[English]

Pichavaram Tourist Spot, T.N.

2584. SHRI VAIKO : Will the Minister of TOURISM be pleased to state:

- (a) whether the Government propose to bring Pichavaram in Cudalooore district of Tamilnadu on the National Tourist Map in view of its tourist importance and potentiality; and

(b) if so, whether the Government propose to allocate necessary funds during the current financial year to develop Pichavaram?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) Pichavaram is already a known tourist centre in Tamil Nadu. However, the identification and development of any particular centre is primarily the responsibility of the State Government. The Union Ministry of Tourism provides assistance on the basis of specific tourism project proposals received from the State Govts. No proposal has been received from the State Government for assistance to develop Pichavaram.

Voluntary Retirement Scheme

2585. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state:

- (a) whether any fool proof voluntary retirement scheme and compensation policy has been worked out in respect of PSUs to be closed down under the disinvestment programme;
- (b) if so, the details in this regard; and
- (c) the number of PSUs employees so far relieved under various disinvestment scheme since 1991?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) A Voluntary Retirement Scheme for the employees of Public Sector Enterprises was framed by DPE in 1988. Extension and enlargement of the scheme with many attractive benefits has been announced in the budget speech for 1998-99.

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

[Translation]

National Sericulture Project

2586. SHRI RAMDAS ATHAWALE:
SHRI A. VENKATESH NAIK:
SHRI ASHOK NAMDEORAO MOHOL:

Will the Minister of TEXTILES be pleased to state:

- (a) the States alongwith Maharashtra selected for the National Sericulture Project and the details of the work done under this project;
- (b) the amount of financial aid received for the above Project from the World Bank and Swiss Development Corporation so far; and
- (c) the time by which this project is likely to start functioning?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The National Sericulture Project was implemented in 5 traditional states viz. Karnataka, Andhra

Pradesh, Tamil Nadu, West Bengal and Jammu & Kashmir and 12 non-traditional States viz Assam, Bihar, Kerala, Maharashtra, Madhya Pradesh, Rajasthan, Uttar Pradesh, Orissa, Gujarat, Punjab, Haryana & Himachal Pradesh. In non-traditional states project was implemented in some selected district on pilot basis.

Under the project, infrastructure was created/strengthened for research, training, seed production, extension, reeling and marketing. Besides, project contributed towards a net increase in mulberry area of 59992 hectare. Overall per year increase in silk production by the end of the project was in order of 4212 tonnes.

(b) The financial aid received for the project was US \$ 114.4 million from World Bank and US\$17.4 million from the Swiss Development Corporation.

(c) The project which commenced in 1989 has closed on 31st December, 1996.

Development of Important Religious Places

2587. SHRI VIJAY GOEL Will the Minister of TOURISM be pleased to state:

(a) whether the Government have taken any decision to develop places which are important from religious point of view as tourist centres alongwith promotion of tourism in all parts of the country:

(b) if so, the names of such places State-wise;

(c) whether any such places have been chosen in the National Capital Region of Delhi itself; and

(d) if so, the names of such places?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) Yes, Sir.

(b) On the basis of the recommendations of a Committee, the following places have been identified for the development of facilities in the first phase:

1. Tirupati (Andhra Pradesh)
2. Kamakhya (Assam)
3. Bodh Gaya and Patna Saheb (Bihar)
4. Dwaraka, Palitana and Udward (near Vapi, Gujarat)
5. Paonta Saheb and Jwalaji (Himachal Pradesh)
6. Mata Vaishno Devi (Jammu & Kashmir)
7. Sringeri and Gulbarga (Karnataka)
8. Guruvayur (Kerala)
9. Ujjain (Madhya Pradesh)

10. Shirdi, Nanded and Jyotirbah (Maharashtra)
11. Jagannath Funi (Orissa)
12. Amritsar, Anandpur Saheb (Punjab)
13. Ajmer Shareef (Rajasthan)
14. Rameswaram (Tamil Nadu)
15. Badrinath and Haridwar
16. Barsana-Nandgaon-Gokul-Mathura-Brindavan-Gowardhan
17. Sravasti/Kushinagar (Uttar Pradesh).

The updating of this list is done from time to time.

Identification and development of tourism is primarily the responsibility of the State/U.T. Governments. However, the Ministry of Tourism, Government of India provides financial assistance for development of tourism infrastructure on the basis of specific project proposals received from the States /U.T. Governments and the availability of funds:

(c) and (d) No, Sir. Does not arise.

(English)

Performance of World Bank/Externally Aided Projects

2588. SHRIMATI KAMAL RANI:
SHRI ANNASAHEB M.K. PATIL:

Will the Minister of FINANCE be pleased to state:

(a) the details of World Bank and other externally aided projects implemented or being implemented in the country, State-wise;

(b) whether the Government have reviewed the performance of these projects for the last three years in terms of target set and achievement made;

(c) if so, the State-wise outcome thereof and reasons for sluggish performance and less utilisation of aid in some States/sectors;

(d) the details of fresh initiatives taken during 1996-97, 1997-98 and proposed for 1998-99 for effective and efficient utilisation of external assistance, both at Central and State level;

(e) the details of World Bank and other external assistance available for various programmes during the current year, State-wise; and

(f) the projects sent by various State Governments for approval of the World Bank?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The project-wise details of World Bank and other externally aided projects implemented since First Five

Year Plan are available in the External Assistance Brochure-1996-97 published by Ministry of Finance. A copy of the Brochure is available in the Library of the House. The State-wise details of World Bank and other externally aided projects being implemented as on 30.4.98 is annexed in Statement.

(b) and (c) The review of on-going projects is a continuous process which is undertaken in association with the concerned Ministries/State authorities periodically. Some States like Andhra Pradesh, Maharashtra, Punjab and Rajasthan have shown satisfactory performance in the last three years while performance of States like Bihar, Kerala, Karnataka and Madhya Pradesh have remained unsatisfactory during this period. Reasons for sluggish performance in some States/sectors are fund constraints, procurement and contracting delays, delays in land acquisition and other project specific issues.

(d) Some of the fresh initiatives taken during 1996-97 and 1997-98 for effective and efficient utilisation of external assistance, both at Central and State levels, include quarterly review of Externally Aided Projects by the

Department of Economic Affairs with the States/Central Ministries, strengthening Project Management Units/Project Monitoring Cells in nine States and five Central Ministries, fixing of time frame for different stages of procurement cycle for World Bank/Asian Development Bank aided projects, standardisation of bidding documents and their mandatory use for World Bank projects and regular review of projects with respect to quality at entry. During 1998-99, the process of setting up a computerised External Assistance Monitoring Information System in nine States and five Central Ministries for effective monitoring of Externally Aided Projects is likely to be completed. A system of monitoring the projects on the basis of quarterly milestones of important activities is also being introduced.

(e) The details of undrawn balance as on 30.4.98, available for disbursements, in respect of projects aided by the World Bank and other donors are also furnished, State-wise, in Statement I (Column 5).

(f) Information is being collected and will be laid on the Table of the House.

Statement

Project-wise details of externally aided Projects as on 30.4.98

				(Provisional)
				(Donor Currency in million)
S. N.	Name of the Project	Currency	Loan/Grant Amount	Undrawn Balance as on 30.4.98
1	2	3	4	5
ANDHRA PRADESH				
1.	A.P. Forestry Project	US Dollar	77.640	39.622
2.	IDP-43 Srisailam Left Bank Power I	Japanese Yen	26101.000	443.600
3.	IDP-85 Srisailam Power Transmission	Japanese Yen	3806.000	3284.600
4.	IDP-94 Srisailam Left Bank Power	Japanese Yen	22567.000	5825.700
5.	IDP-95 Srisailam Left Bank Power	Japanese Yen	9546.000	9132.600
6.	Kothagudam 'A' Thermal Power	Japanese Yen	5092.000	1900.700
7.	IDP-113 Kumool Cuddapah Canal	Japanese Yen	16049.000	16049.000
8.	IDP-127 Simhadri and Vizag Transmis.	Japenese Yen	10629.000	10629.000
9.	IDP-128 Srisailam Left Bank Power St.	Japenese Yen	14499.000	13810.100
10.	AP Energy Efficiency Proj. 94	Pound Sterling	42.700	38.200
11.	AP School Building Ph.II	Pound Sterling	27.900	3.954
12.	Hyderabad Habitat Ph.III	Pound Sterling	14.940	4.652
13.	AP School Health Project	Pound Sterling	6.690	4.339

1	2	3	4	5
14.	AP Dist. Primary Edu. Proj.	Pound Sterling	42.500	39.717
15.	Vijaywada Hibitat Improv. Proj. 1991	Pound Sterling	16.250	5.823
16.	Chinagadili Area Improvement Proj.	Pound Sterling	1.500	0.075
17.	P-249 AP State Highway	US Dollar	2.400	2.400
18.	AP Hazarad Mitigation and Emergency	US Dollar	100.000	91.405
19.	AP State Highway	US Dollar	350.000	337.653
20.	Hyderabad Water Supply & Sanitation	US Dollar	89.365	14.219
21.	AP Referral Health System	US Dollar	125.679	98.942
22.	AP Tribal Development	US Dollar	21.608	6.017
23.	AP Participatory Tribal Devt.	US Dollar	26.710	19.730
24.	EPTRI Ph.IInd Project	Swedish Kroner	16.000	16.000
25.	Environment Training Proj Hyderabad	Swedish Kroner	15.000	11.497
26.	AP Irrigation-III	US Dollar	150.000	91.169
ASSAM				
1.	Assam Rural Infrastructure	US Dollar	112.185	106.511
BIHAR				
1.	Bihar Plateau Development	US Dollar	112.425	76.557
2.	3012-IN DPEP-III	US Dollar	152.000	147.500
3.	Bihar Power Sector Restruc.	US Dollar	1.500	0.876
4.	Cooperative Rural Storage Centre	ECUs	21.200	13.578
GUJARAT				
1.	2930-IN Environm. Mangmt Cap. Build.	US Dollar	48.000	45.000
2.	1506-IND Guj.Pub Sector Resou. Manag.	US Dollar	250.000	150.000
3.	Training Women in Agriculture Ph.II	Dutch Guilder	6.611	6.611
4.	NABARD V Ajjvasi Programme	DM	26.000	22.180
5.	IDP-115 Ship Breaking Dev. at Pipavar	Japanese Yen	7046.000	4845.600
6.	IDP-112 Gujarat Forestry Project	Japanese Yen	15760.000	11143.900
7.	Water Resources Dev. and Management	Dutch Guilder	1.450	1.450
8.	Gogha Regional Water Supply	Dutch Guilder	19.369	19.369
9.	1996.02 ORST Proj. for Guj. Health Care	Dutch Guilder	39.826	24.891
10.	ORET Proj. for Guj. Health Care	Dutch Guilder	59.739	59.739
11.	20916-IN Netherlands Grant	US Dollars	25.800	23.979
HARYANA				
1.	Mewat Area Development Pjt.	US Dollar	15.080	12.375
2.	Haryana Power Restructuring	US Dollar	60.000	58.921

1	2	3	4	5
3.	P-225 Haryana Power Restruct. (IBRD)	US Dollar	2.000	0.298
4.	Water Resource Consolidation	US Dollar	262.148	170.581
5.	Rehab Common Lands in Aravalli Hill	ECUs	23.200	4.674
HIMACHAL PRADESH				
1.	HP Forestry Project	Pound Sterling	3.094	1.703
2.	Environment Programme	Nor. Kroner.	12.000	0.356
KARNATAKA				
1.	Indo Danish Fisheries Proj.	D. Kroner	8.520	7.583
2.	Karnataka Watershed Deve. Proj.	D. Kroner	46.700	46.700
3.	IDP-124 Eastern Karnataka Affores.	Japanese Yen	15968.000	15068 800
4.	Western Ghats Forestry Proj.	Pound Starling	18.074	5 424
5.	DM23M Karnataka Sec. Level Hosp. Devp.	Deutsche Mark	23.000	22.224
6.	Watershed Dev. Proj	D. Kroner	48.800	15.165
7.	Indo-Swiss Particip. Watershed Dev.	Indian Rupee	91 860	28.729
8.	Karnataka Watershed Dev. Proj.	Pound Sterling	4.488	4.488
9.	Karnataka Watershed Deve.	Deutsche Mark	20.000	18.910
10.	Women & Youth Trg. Ext. Ph.II	Danish Kroner	48.500	25.994
11.	Integrated Rural Water & Sanitation	Danish Kroner	50.000	27.864
12.	Rural Water & Sanitation Ph.II	Danish Kroner	65.500	60.379
13.	Raichur Thermal Power Station Expansion Project	Japanese Yen	23142.000	3115 800
14.	Kalindi Hydro Electric Station II	Kuwaiti Dinar	7 000	0.757
15.	Mysore Paper Mills Modernisation & Renovation Proj.	Japanese Yen	2381.000	686 600
16.	Upper Krihna Ph-III Irrigation	US Dollar	45.000	38.187
17.	Karnataka Rural Water Supply & Sanitation	US Dollar	92 401	61.742
18.	Raichur Hospital	US Dollar	9 000	8.045
19.	IDP-109 Bangalore Water Supply	Japanese Yen	28452.000	28206.100
20.	1415 IND Karnataka Urban Infra. Dev.	US Dollars	85.000	78.455
KERALA				
1.	Kerala Fisheries Prawn Culture	Kuwaiti Dinar	7.000	6.462
2.	Kerala Rainfed Farming	US Dollar	10.000	8.558
3.	North Kerala Dairy Project. Ph.II	Indian Rupee	167.400	49.840
4.	Cocunut Prg. in Kerala	ECUs	45.000	14.220
5.	Agriculture Market in Kerala	ECUs	18.650	0.647
6.	Kerala Horticulture Development	ECUs	28.700	14.130
7.	IDP-111 Attapady Waterland Deve.	Japanese Yen	5112.000	5090.100

1	2	3	4	5
8.	IDP-123 Kerala Water Supply Proj.	Japanese Yen	11997.000	11997.000
9.	Kerala Minor Irrigation Proj.	ECUs	11.800	9.895
10.	Rural Drinking Water Supply	Danish Kroner	132.500	26.733
11.	Cochin Urban Poverty Reduction Ph.II	Pound Sterling	0.400	0.030
12.	Cochin Urban Poverty Reduction Proj.	Pound Sterling	11.469	11.300

MADHYA PRADESH

1.	MP Forestry	US Dollar	0.275	0.275
2.	MP Forestry 2700-IN	US Dollar	54.919	33.919
3.	Lake Bhopal Conservation	Japanese Yen	7055.000	6419.000
4.	Rewa Hospital	US Dollar	10.000	9.482
5.	MP Rural Water Supply	DM	45.000	42.511
6.	MP Women in Agriculture	Danish Kroner	12.610	8.599
7.	IDP-133 MP Sericulture Proj.	Japanese Yen	2212.000	2212.000
8.	Watershed Dev. in Western MP	Danish Kroner	29.200	28.251
9.	Health Care MP II	Danish Kroner	62.900	23.672
10.	Live Stock Dev. Proj. Baster	Danish Kroner	28.300	26.329
11.	Indore Habitat	Pound Sterling	14.400	0.879

MAHARASHTRA

1.	Maharashtra Forestry	US Dollar	109.059	54.480
2.	Maharashtra Power	US Dollar	337.330	42.465
3.	Second Maharashtra Power	US Dollar	350.000	237.746
4.	Ghatghar Pumped Storage Project	Japanese Yen	11414.000	11044.300
5.	Uran Combined Cycle Power Station	DM	310.000	1.143
6.	Maharashtra SEB	DM	29.740	5.433
7.	Second Bombay Urban Tpt.	US Dollar	3.000	0.745
8.	Infrastructure Financing Proj.	US Dollar	1.500	1.500
9.	Mah. Rural Drinking Water Supply	Pound Sterling	16.460	8.652
10.	Maha. Rural Water Supply	US Dollar	107.461	29.824
11.	Maharashtra Rural Credit	US Dollar	29.442	20.532
12.	Maharashtra Emergency Earthquake	US Dollar	250.669	53.228
13.	2838-IN Industrial Proj.	US Dollar	4.703	4.703
14.	Bombay Sewage Disposal 3923-IN	US Dollar	167.000	135.286
15.	Bombay Resettlement & Rehabilitation	Japanese Yen	67.000	39.800
16.	Watershed Maharashtra-II	Deutsche Mark	25.000	25.000
17.	Minor Irrigation Prog.	Deutsche Mark	35.000	6.480

1	2	3	4	5
18.	Water Control System for Dev. of Coop.	ECUs	15.000	5.815
19.	Maharashtra Health Care	Deutsche Mark	20.000	19.259
20.	Maharashtra Earthquake Rehabilitation	Pound Sterling	10.000	1.237
21.	Bombay Urban Transport II	Japanese Yen	286.000	74.200
MANIPUR				
1.	IDP-134 Manipur Sericulture Proj.	Japanese Yen	3962.000	3962.000
MEGHALAYA				
1.	IDP-118 Umiam Hydro Power Stn. Reno.	Japanese Yen	1700.000	1700.000
ORISSA				
1.	Orissa Water Resource Consolidation	US Dollar	270.578	195.585
2.	Upper Kolab Irrigation	Japanese Yen	3769.000	1068.100
3.	Upper Indravati Irrigation	Japanese Yen	3744.000	698.500
4.	Lift Irrigation, Orissa	DM	55.000	28.321
5.	Exploration & Management of Ground Water Tranch II	US Dollar	8.097	0.362
6.	Minor Irrigation	ECUs	10.700	10.601
7.	Indo Danish Comp. Water Dev. Koraput	Danish Kroner	46.300	34.804
8.	Integrated Livestock Dev. Proj Koraput	Danish Kroner	19.900	12.037
9.	TEWA Ph. II	Danish Kroner	23.690	16.098
10.	Orissa Social Forestry Ph.II	S. Kroner	282.500	17.351
11.	Orissa Power Sector Restructuring	US Dollar	350.000	333.611
12.	Orissa Power Sector Reform	Pound Sterling	42.000	31.296
13.	IDP-135 Rengali Irrigation	Japanese Yen	7760.000	7618.500
14.	Revised Nation TB Control Prg. Ph.I	Danish Kroner	54.800	52.676
15.	Orissa Family Welfare Ph-II	Pound Sterling	18.000	6.083
16.	Cuttack Slum Improv.	Pound Sterling	0.244	0.015
17.	Multipurpose Cyclone Shelter	Deutsche Mark	5.000	2.038
18.	Cuttack Urban Services Improv.	Pound Sterling	11.490	10.641
19.	Orissa Environmental Programme	Nor. Kroner	40.000	15.696
PUNJAB				
1.	Punjab Irrigation 2076-IN	US Dollar	161.679	22.170
2.	Punjab Water Resources MG Project	US Dollar	2.225	2.225
3.	IDP-132 Punjab Afforestation Project	Japanese Yen	6193.000	6129.700
RAJASTHAN				
1.	ADP Rajasthan Agriculture Development	US Dollar	104.015	36.956
2.	Indira Gandhi Afforestation	Japanese Yen	7869.000	5032.600

1	2	3	4	5
3.	Afforestation Aravalli Hills	Japanese Yen	8095.000	2345.600
4.	Raj. Forestry Devt. IDP-104	Japanese Yen	4219.000	2563.400
5.	Rajasthan Power Sec. Restruc.	US Dollar	2.000	1.645
6.	PAWDI Project Rajasthan	Indian Rupee	98.940	87.440
7.	EEC Sidhmukh & Nohar Irrigation Proj.	ECUs	45.000	12.260
8.	Rural Water Supply Ph-I	DM	40.000	20.346
9.	Rural Water Supply Ph-I	DM	95.000	70.894
10.	Rajasthan Agri. Drainage	Canadian Dollar	57.540	51.653
11.	Dungarpur Integrated Waterland Dev.	S. Kroner	80.000	46.174
12.	DM 2.70 M. Raj. Minor Irrigation	Deutsche Mark	2.700	1.205
13.	Lok Jumbish Programme Ph.II	S. Kroner	100.000	33.072
14.	Lok Jumbish Programme Basic Education	S. Kroner	21.000	6.136
15.	Shikshakarmi Project Ph-II	S. Kroner	60.000	17.037
16.	Residential Schools Project	Deutsche Mark	18.000	18.000
TAMIL NADU				
1.	Tamil Nadu Agri. Development	US Dollar	91.249	5.844
2.	Tamil Nadu Agri. Development	US Dollar	20.000	20.000
3.	Basin Bridge Gas Turbine II	Japanese Yen	11450.000	672.000
4.	North Madras Thermal Power	US Dollar	120.000	7.653
5.	Second North Madras Thermal	US Dollar	200.000	62.895
6.	Sheep Development	ECUs	6.100	4.908
7.	TN Water Resource Consolidation	US Dollar	252.303	235.717
8.	IInd Madras Water Supply	US Dollar	86.500	69.854
9.	2nd TN Nutrition	US Dollar	72.844	0.043
10.	IDP-125 Tamil Nadu Afforestation Proj	Japanese Yen	13324.000	12182.700
11.	TN Urban Development	US Dollar	255.667	0.510
12.	Madras Sewerage Reno. & Func.	Japanese Yen	17098.000	16811.600
13.	TANWA PH.II	Danish Kroner	58.051	36.522
14.	Compre. Watershed Dev. Ramanathapuram	Danish Kroner	26.420	15.205
15.	Compre. Watershed Dev. Tirunelveli Ph-II	Danish Kroner	68.470	45.348
16.	Tamil Nadu Social Forestry Ph-I	S. Kroner	278.300	10.312
17.	DM 1.5M NLC Study Expert Grant	Deutsche Mark	1.500	0.783
18.	Expan. of Lignite Mine & Power Stn.	Deutsche Mark	375.200	355.084
19.	Tank Irrigation System Ph-II	ECUs	24.500	4.713
20.	Health Care Tamil Nadu Ph-II	Danish Kroner	66.400	22.094

1	2	3	4	5
21.	Pudukottai Livestock Development	Danish Kroner	22.000	9.165
22.	Integ. Rural Sanit & Water Supply	Danish Kroner	35.000	22.688
23.	National Leprosy Eradi. Prog. Ph-II	Danish Kroner	70.000	60.214
24.	Rural Water Supply & Sanit. Ph-II	Danish Kroner	60.000	58.540
25.	Health Care Proj. Ph-III	Danish Kroner	102.500	100.553
26.	Pudukottai Livestock Dev. Ph-II	Danish Kroner	51.480	51.480
27.	Proj. for Improvement of Equipment	Japanese Yen	667.000	4.900
28.	I.C.D.S. Ph-III	S. Kroner	60.000	29.299
UTTAR PRADESH				
1.	U.P. Sodic Land Reclamation	US Dollar	55.527	24.827
2.	Anpara Power Transmission	Japanese Yen	19318.000	3920.100
3.	Anpara 'B' Thermal Power	Japanese Yen	17638.000	6240.000
4.	Anpara Thermal Power IDP-108	Japanese Yen	12020.000	7902.600
5.	UP Power Sector	US Dollar	2.000	0.121
6.	UP Basic Education Ph-II	US Dollar	59.400	51.900
7.	UP Primary Education	US Dollar	165.398	43.092
8.	Basti Dist. Hospital	US Dollar	6.500	3.461
9.	South Bhagirathi Ph-II	ECUs	8.400	0.178
10.	Doon Valley Integ. Watershed Manage.	ECUs	22.500	17.537
11.	Ravine Stabilization in UP	ECUs	7.900	7.900
12.	Uttar Pradesh Forestry Proj.	US Dollar	52.940	52.940
13.	Gomti River Poll. Control Ph-I	Pound Sterling	4.020	3.787
14.	Supply of Fertilizer	ECUs	4.400	0.089
15.	UP Rural Water Supply & Envi. San.	US Dollar	59.600	54.507
16.	Grant India 1995.04	Dutch Guilder	13.388	12.036
WEST BENGAL				
1.	Steril. and Milk Packaging NDDB & APDD	French Franc	147.700	147.700
2.	West Bengal Forestry	US Dollar	35.014	1.158
3.	Industrial Pollution Control	Japanese Yen	1525.000	1396.100
4.	Teesta Canal HEP IDP-40	Japanese Yen	8025.000	788.900
5.	Teesta Canal HE IDP-72	Japanese Yen	6222.000	1115.200
6.	IDP-89 Bakreshwar Thermal Power	Japanese Yen	27069.000	8616.300
7.	Bakreshwar IDP-97 Thermal Power Unit 3	Japanese Yen	8659.000	6224.300
8.	Purulia Pumped Storage	Japanese Yen	20520.000	19600.100
9.	WB Transmission System Project	Japanese Yen	11087.000	11003.300

1	2	3	4	5
10.	Bakreshwar Ther. Power Stat. Proj. II	Japanese Yen	34151.000	32599.300
11.	Calcutta Transport Infrast. Dev.	Japanese Yen	10679.000	10334.000
12.	Cultural Grant to Indian Museum,	Japanese Yen	50.000	50.000
13.	West Bengal Primary Education Proj.	Pound Sterling	37.706	37.588
14.	Rural Water Supply West Bengal	Deutsche Mark	50.000	41.760
15.	Calcutta Slem Improvement	Pound Sterling	14.592	5.332
PONDICHERRY				
1.	Tank Rehabilitation Proj.	ECUs	6.650	6.650
DELHI				
1.	IDP-121 Delhi Mass Rapid Transpt. Sys.	Japanese Yen	14760.000	14760.000
2.	IDP-126 Rajghat Canal Irrig. Proj.	Japanese Yen	13222.000	13222.000
MULTISTATE				
1.	Integrated watershed Dev. Plains Gujarat, Rajasthan, Orissa	US Dollars	60.537	11.360
2.	Integrated Watershed Dev. Hills HP, J&K, Punjab, Haryana	US Dollars	80.244	25.260
3.	Shrimp & Fish Culture AP, Bihar, Orissa, UP, WB	US Dollars	37.792	24.620
4.	National Sericulture AP, J&K, Kamataka, TN, WB	US Dollars	134.390	20.020
5.	Ind National Highway Haryana, Orissa, Punjab, TN	US Dollars	165.262	36.650
6.	State Road Project Bihar, Maharashtra, UP, Rajasthan	US Dollars	108.590	5.250
7.	Road Improvement Project AP, Kamataka, TN	US Dollars	188.000	17.690
8.	Ind Road Project AP, UP, Orissa, WB	US Dollars	250.000	23.930
9.	Agriculture & Human Resources	US Dollars	56.220	41.710
10.	Tourism Infrastructure Dev. Bihar, UP	Japanese Yen	9244.000	3685.770
11.	Dam safety Project MP, Rajasthan, Orissa, TN	US Dollars	133.633	82.910
12.	National Hydrology Project AP, Kamataka, Maharashtra, MP, Orissa, Kerala, TN, Gujarat	US Dollars	124.829	112.570
13.	Norwegian Environment Programme	N. Kroner	60.000	60.000
14.	Tech. Education II AP, Assam, Haryana, HP, Maharashtra, WB, TN, Punjab	US Dollars	250.563	104.310
15.	Kerala & Uttar Pradesh Forestry	US Dollars	0.970	0.970
16.	Tech. Education Bihar, Gujarat, Kamataka, Kerala, MP, Rajasthan, UP, Orissa, Goa	US Dollars	226.251	36.740
17.	ICDS AP, Orissa, MP	US Dollars	81.057	0.490
18.	Ajanta & Ellora Conservation Maharashtra.	Japanese Yen	3745.000	2120.580
19.	Sericulture Promotion in AP & TN	Indian Rupee	41.055	18.780

1	2	3	4	5
20.	National Sericulture Project AP, WB, TN, Kamataka	Swiss Fran	40.000	17.120
21.	Road Infrastructure Dev. Tech. Asstt.	US Dollars	51.500	42.000
22.	Mixed Project	French Franc	125.000	125.000
23.	Family Welfare	US Dollars	87.102	61.320
24.	IInd Distt. Primary Education Proj.	US Dollars	403.820	379.220
25.	TB Contraol	US Dollars	136.105	131.140
26.	Social Marketing by PSS&PSI	Deutsche Mark	15.000	13.850
27.	Global Environ. Eco Development Proj.	US Dollars	20.000	18.060
28.	29302-IN District Poverty Initiatives	Japanese Yen	88.300	84.870
29.	India Eco Development Project	US Dollars	20.000	19.890
30.	Feasib. Study for solid waste treat.	French Franc	3.300	3.300

*Statewise allocation of Undrawn Balance for Multi-State Projects is not available.

[Translation]

Gauri Bazar/Cawnpore Sugar Mills

2589. SHRI HARI KEWAL PRASAD :
SHRI RAM NAGINA MISHRA :

Will the Minister of TEXTILES be pleased to state:

(a) Since when the Gauri Bazar Sugar Mill district Deoria, Uttar Pradesh and Mandora Sugar Mill of Bihar lying closed alongwith their present position;

(b) whether there is any proposal to revive these mills;

(c) if not, the reasons therefor;

(d) whether four sugar mills of Cawnpore Sugar Works Ltd. Uttar Pradesh are being operated under the Ministry of Textiles;

(e) if so, the expenditure incurred by the Government on these mills;

(f) whether the Government propose to close down the Padrona and Kathkuiya Sugar Mills also; and

(g) if so, the reasons therefor?

The MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (g) The Cawnpore Sugar Works Ltd. has 4 sugar mills at Gauri Bazar, Marhowrah, Padrauna and Kathkuiya. Out of these 4 sugar mills the Marhowrah Sugar Mills and the Gauri Bazar Sugar Mills have not been in operation for one and two crushing seasons respectively. The Cawnpore Sugar Works Ltd. is not a Public Sector Undertaking and the Government does not provide any budgetary support to the company. The Cawnpore Sugar

Works Ltd. is a sick industrial company whose rehabilitation is under consideration of the BIFR.

[English]

Trade Deficit

2590. SHRI GORDHANBHAI JADAVBHAI JAVIYA
Will the Minister of FINANCE be pleased to state:

(a) the impact of depreciation of the Indian Rupee on the exportable and importable items;

(b) the details of trade deficit at the end of 1997 as compared to the last three years;

(c) the increase registered in the trade deficit during April and May, 1998 due to decline in the value of Indian currency;

(d) the details of its likely impact on Indian economy;

(e) whether the exporters are discouraged due to rise in the value of foreign exchange as a result of which the export of the country has declined;

(f) if so, whether the Government have formulated any short term/long strategy to bridge the trade deficit in 1998; and

(g) if so, the details thereof and if not, the other steps proposed to be taken by the Government in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The impact of exchange rate movements on exports and imports depends upon the real effective exchange rate. The depreciation of the rupee in the later part of 1997-98, corrected for the appreciation of the rupee, that had occurred in real effective exchange rate terms.

during 1996-97. These movements during later part of 1997-98 therefore partially offset the adverse impact of appreciation during 1996-97 on our exports and imports.

(b) and (c) As per the DGCI&S data, the trade deficit in 1997-98 was US \$ 6799 million (provisional) as compared to US \$ 2324 million, US \$ 4881 million and US \$ 5663 million in 1994-95, 1995-96 and 1996-97 respectively. The trade deficit during April, 1998, upto which data is available, was US \$ 877 million as against US \$ 510 million in April, 1997.

(d) and (e) A rise/appreciation hurts exporters as it makes exports less competitive relative to other countries exports.

(f) and (g) The key to reducing trade deficit lies in accelerated export growth. Export promotion measures are continuously taken by the Government through policy initiatives and promotional schemes. Export promotion is a continuous process based on interaction with industry, trade and export promotion organisations.

Andhra Pradesh Tobacco Growers

2591. SHRI A. VENKATESH NAIK : Will the Minister of COMMERCE be pleased to state:

(a) whether the farmers' delegation from Andhra Pradesh has urged the Union Government for direct access to foreign tobacco buyers; and

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

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir. Some representatives of growers have suggested permitting international merchants to participate in the auctions conducted by the Tobacco Board to create competition for tobacco produce and to augment the exports.

(b) Under the new Industrial Policy trading companies involved in exports are permitted foreign equity subject to dividend balancing. So far no new international tobacco trading company has approached the Tobacco Board to permit participation in purchases at the Tobacco Board's auction platforms.

[Translation]

Promotion of Export

2592. SHRI DADA BABURAO PARANJPE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government had invited suggestions from the industrial world to formulate a policy on the measures to promote exports and other matter related to W.T.O.; and

(b) if so, the details of suggestions given by the different organisations of the industrial world?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) The Ministry of Commerce has been holding periodical meetings with industry associations academic institutions professional institutes and experts in the field, on various WTO related issues. Consultation Groups have also been constituted involving representatives of various Ministries, industry associations and experts. Six WTO Awareness Seminars will be held jointly with industry associations in Delhi, Mumbai, Calcutta, Chennai, Bangalore and Ahmedabad during the current year. Industry associations and professional institutes are consulted on major issues under negotiation, from time to time, and their inputs are conveyed to the negotiating team at Geneva for use during negotiations.

[English]

Drug Smuggling

2593. SHRI RANJIB BISWAL :

SHRI P. UPENDRA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the smugglers and drug traffickers using India as a transit point to the United States and European countries for smuggling of illicit drugs;

(b) if so, whether the attention of the Government has also been drawn towards the news item captioned "India, now a transit point for drug smugglers" appearing in the Hindu (Delhi Edition) dated May 11, 1998;

(c) if so, the matter of the facts reported therein; and

(d) the details of the steps taken by the Government to stop the smuggling of drugs and also to stop using India as a transit point?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (d) Yes, Sir. Drugs in small quantities continue to be smuggled into India.

India's borders with her neighbouring countries are vulnerable to narcotics drugs, smuggling/trafficking. However, a strict vigil is maintained by the Government to keep a tab on the activities of the drug smugglers. Enforcement agencies are being strengthened. Major part of the Indo-Pak border has been fenced.

Closure of Paper Mills

2594. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of INDUSTRY be pleased to state :

(a) the names and number of public and private sector paper mills closed during the last three years, state-wise and year wise;

(b) the reasons for closure of the above mills;

(c) whether the Government propose to re-open the above closed mills;

(d) if so, the details thereof, and

(e) if not, the reasons therefor ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) The date regarding State-wise and year wise closure of paper mills is not maintained centrally. However, it has been reported that about 125 paper mills having an installed capacity of approximately 10 lakh tonnes are lying

closed. A Statement of sick paper mills recommended by BIFR to be wound up under Section 20(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 during the last 3 years, Statewise and yearwise is also annexed.

(b) The closure of mills can generally be attributed to small uneconomic size of the units, high cost of raw material, etc.

(c) to (e) Under the existing policy on industrial sickness, the Board for Industrial and Financial Reconstruction, a quasi-judicial body, deals with the problem of sick industrial companies. Revival of sick industrial units is also undertaken by amalgamation/merger of sick units with healthy units and this is encouraged by granting income tax concessions, etc. to healthy units, which undertaken such amalgamation. The reserve Bank of India has also issued guidelines to banks and financial institutions for strengthening the monitoring systems and arresting industrial sickness at the incipient stage.

Statement

Names of Sick Paper Mills recommended to be wound up u/s 20(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 during the last 3 years 1995-96, 1996-97 and 1997-98, year-wise and state-wise.

	1995-96		1996-97		1997-98	
	PSU	Private	PSU	Private	PSU	Private
Andhra Pradesh	-	Adivasi Papers Ltd.	-	-	-	Aradhna Papers (P) Ltd.
Bihar	-	-	-	-	-	Bhwani Paper Mills Pvt. Ltd.
Gujarat	-	-	-	Wood Polymer Ltd.	-	Kankariya Chemical Industries Ltd.
Himachal Pradesh	-	-	-	Village Papers Ltd.	-	-
Karnataka	-	-	Mandya National Paper Mills Ltd.	Madhu Paper Mills	-	Cauveri Papers Ltd.
Kerala	-	Chancellor Paper Mills Ltd.	-	-	-	-
Maharashtra	-	-	-	Raigadh Papers Ltd.	-	Nimit Paper & Allied Products Ltd.
Tamil Nadu	-	-	-	-	-	Kalaimagal Nataraja Paper Mills Ltd.
Uttar Pradesh	-	Geetanjali Paper Mills Ltd.	-	Shri Manjusha Paper Mills Ltd.	-	-
West Bengal	-	-	-	Eastend Papers Ltd.	-	A.S. Rototech Ltd. North Bengal Straw Board Ind. Ltd.

Export of Leather Footwear

2595. SHRI S.S. OWAISI : Will the Minister of COMMERCE be pleased to state

(a) whether the leather footwear exports have slumped by more than 12% during 1997-98, as compared to 1996-97;

(b) if so, the details thereof and main reasons for dismal performance;

(c) whether the Government propose to frame new policy in regard to leather footwear export keeping in view the stiff competition from European suppliers like Romania, Poland, Slovakia and Czech Republic; and

(d) if so, the details thereof and further steps taken to boost the leather footwear exports ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes Sir. Estimated exports of leather and leather products during April-March 1997-98 vis-a-vis the actual exports during the previous year shows a negative growth of 12.5% (approx.) in Rupee terms.

(b) The following factors are mainly responsible for dismal performance in leather sector :

External:

- Continuing recession in European market.
- emergence of new manufacturing facilities in East European countries which are able to produce footwear at a much lower cost due to their wages being one-fifth of the wages prevalent in West European countries.
- market proximity enabling the East European countries to meet the demands of European buyers in time.
- increased production in countries with the European Union and the market accessibility enjoyed without trade barriers adding to the cost advantage available to them.

Internal:

- lack of modernisation and supporting indigenous Footwear Components Industry.
- environmental problems faced by the industry.
- high content of imported inputs with high import duty rates and delays in clearance.

(c) and d) The Government has already identified Leather footwear as an Extreme-Focus Item for achieving incremental growth in exports. In the Budget for 1998-99

some provisions have been announced for the Leather industry like-

- General reduction in basic custom duty on machinery used by the industry 20% to 5%.
- Inclusion of twelve newer version of machineries in the List 6 of the Customs Notification No.23/98 qualifying for 5% basic customs duty with exemption from Countervailing Duty [CVD].
- Basic customs duty on moulds for leather footwear have been reduced from 20% to 5% with exemption from CVD of 13%.

These budgetary concessions would help expansion of production base in footwear sector. Some long term and short term measures are listed below for assisting the leather sector:

Long Term Measures:

- Modernisation of Tanning industry.
- Dereservation of Footwear Industry.
- Development of Footwear Components industry.
- Attracting fresh investments in Tanning Sector.

Short Term Measures:

- Removal of inputs value restriction under Quantity Based Advance Licence [QBAL] scheme.
- Enhancement of Credit Rates under Duty Entitlement Passbook Scheme [DEPB] Scheme.
- Removal of ceiling on Duty Drawback.
- Brand Promotion under Market Development Assistance Programme.

These measures are expected to provide support for sustained growth in the Leather industry and enhanced competitiveness of Indian Leather and Leather products.

Insurance Regulatory Authority

2596. SHRI TATHAGATA SATPATHY :
SHRI BHERU LAL MEENA :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have a proposal to set up an Insurance Regulatory Authority;

(b) if so, the main objectives behind setting up of such an authority; and

(c) the time by which it is likely to be set up?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF

FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) An Interim non-statutory Insurance Regulatory Authority was set up in January 1996 with the objective to prepare a comprehensive legislation to establish an autonomous Insurance Regulatory Authority, conceptually similar to SEBI. In the Budget Speech 1998-99 it has been announced that the insurance sector would be open to competition from private Indian companies and the Insurance Regulatory Authority will also be converted into a Statutory Body. Necessary legislation will be introduced later in the year.

ATM System in Banks

2597. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India has introduced the ATM system in the various branches of Delhi and other parts of the country;

(b) if so, the details thereof;

(c) whether some annual charges are realised from customers for availing of this ATM facility;

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

(e) whether various types of ATM card are issued by the State Bank of India to its customers; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) As reported by the State Bank of India (SBI) 23 ATMs have been installed at its various branches spread all over the country. Out of these 23 ATMs three are in Delhi (Sansadiya Soudh, Special Personal Banking Branch on Sansad Marg and Kamla Nagar), 8 in Mumbai and one each at Ahmedabad, Bangalore, Bhilai, Bhopal, Bhubaneshwar, Calcutta, Chandigarh, Chennai, Hyderabad, Jamshedpur, Lucknow and Patna.

(c) No Sir.

(d) Does not arise.

(e) and (f) SBI has issued three types of ATM Cards to its customers with daily withdrawal limits of Rs. 3,000/-, Rs. 5,000/- and Rs. 9,900/- respectively.

Export of Iron Ore by MMTC

2598. SHRI A.C. JOS : Will the Minister of COMMERCE be pleased to state:

(a) whether the Minerals and Metals Trading Corporation Limited has secured iron ore export order from Japan of Rs. 650 crores recently; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) The break-up of the quantity to be supplied to Japan during 1998-99 will be as follows:-

(i) Baladilla mines of National Minerals Development Corporation in M.P. : 2.4 million tonnes of lumps and 1 million tonne of fines.

(ii) Bellary-Hospet Sector in Kamataka: 2 to 2.3 million tonnes of iron ore lumps and fines.

(iii) Mines in Bihar, Orissa Sector: 3 to 5 lakh tonnes of iron ore lumps.

(iv) Kudremukh Iron Ore Company: 1 million tonne of iron ore concentrate inclusive of 2,50,000 tonnes of silicious concentrate.

Garment Export Quota

2599. SHRI C.P. RADHAKRISHNAN : Will the Minister of COMMERCE be pleased to state:

(a) the steps taken by the Government to increase the garment export quota to European Union and United States; and

(b) the new policy regarding anti-dumping duty taxes being imposed by European Union and United States?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The garment export quota are agreed to in bilateral textiles agreement with the European Union and the United States. These agreements are regulated under the provision of the Agreement on Textiles and Clothing. Neither in bilateral agreement nor in WTO Agreement on Textiles and clothing there is a provision for increase in quota.

(b) European Union and United States conduct anti-dumping investigations and impose duties as per their national legislation. The Government of India is assisting the Indian exporters in defending their anti-dumping cases in European Union and United States.

Open-Ended Debt Fund of UTI

2600. SHRI K.S. RAO :
SHRI MAGANTI BABU :

Will the Minister of FINANCE be pleased to state:

(a) whether the Unit Trust of India has recently launched its first open-ended 100 per cent debt fund;

(b) if so, the details thereof indicating inter-alia the objectives likely to be achieved thereby;

(c) the details of money market instruments in which the above fund is likely to be invested;

(d) whether this scheme will be tax efficient as the capital gains made on repurchase of investment; and

(e) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir. Unit Trust of India has launched a 100% debt fund, called the UTI Bond Fund on 04.5.1998.

(b) As per information furnished by UTI, the fund is open ended offering easy liquidity with repurchase facility on a continuous basis. There will be no income distribution under the plan. The repurchase will be based on the Net Asset Value calculated on a daily basis. The investments in the scheme qualify for capital gains under Sections 48 and 112 with benefit of indexation. The stated objective of the fund is growth of capital with complete liquidity through investment in debt instruments.

(c) According to UTI, the fund will mainly invest in debt instruments and the money market instruments in which it could invest include call and notice money, reverse-repos with RBI and commercial banks, commercial papers, certificates of deposit etc. However, investment in money market instruments will be kept to the minimum to be able to meet the liquidity needs of the plan.

(d) and (e) Since the scheme will not distribute any returns, there is no incidence of income tax. At the time of repurchase investors realise capital gains which is taxable. Repurchases after one year will be treated as long term capital gains and will be subject to tax treatment under Sections 48 and 112 of the Income Tax Act, 1961. Further, investments in this plan also qualify for capital gains tax exemptions under Section 54 EA and 54 EB.

Violation of RBI Rule by Vysya Bank

2601. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state:

(a) whether Vysya Bank Limited has been repeatedly committing violations of RBI regulations such as that of stock invest scheme, bridge loans, bill finance, SLR & CCR etc. and the RBI has imposed monetary penalties;

(b) if so, how do these violations compare with other private sector banks;

(c) the action the Government propose to take in the matter to ensure that the bank to follow the laid down RBI regulations/norms; and

(d) whether there is also any proposal to replace directors on the Board of directors of the bank who have been there for more than three years; and

(e) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) Vysya Bank Ltd. is a private sector bank and it is neither necessary nor desirable for the Government to keep itself informed of the operational and management functions of such banks. RBI as a regulatory authority has to satisfy itself that the bank is complying with regulatory requirements. In cases having a bearing on the regulatory framework, RBI takes appropriate actions as the Regulator of the Banking System. RBI have informed that depending on the type of irregularities and violation of RBI's instructions which come to their notice, penalties have been imposed on some private sector banks including Vysya Bank Ltd;

(d) and (e) According to RBI, appointment of Directors other than the Chairman/Chief Executive Officer/Managing Director/Wholetime Director on the boards of private sector banks does not require RBI's prior approval. It is the responsibility of private sector banks to comply with the provisions of Section 10A of the Banking Regulation Act, 1949 in regard to the composition of the Board of Directors and the tenure of the Members. RBI have further informed that they have not received any proposal from Vysya Bank Ltd. regarding replacement of Directors who have been on the Board for more than three years.

MOU with CCI

2602. DR. T. SUBBARAMI REDDY :
SHRI SANDIPAN THORAT :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have allocated Central assistance of Rs. 7 crore for a programme aimed at improving production, and purity of cotton during 1998-99 as per MOU between Textile Ministry and Cotton Corporation of India;

(b) if so, the details of the scheme, specific activities formulated for extending financial support and State-wise break up of areas to be covered under the programme, the estimated number of beneficiaries, produce of certified goods etc;

(c) whether the National Cotton Research Institute at Nagpur is involved in execution of the scheme;

(d) if so, the present status of the scheme, and

(e) whether it has also been decided to adopt and plan to promote one village one variety principle to improve the purity of cotton and to produce truthful label seeds?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) No, Sir. However, a Memorandum of Understanding (MOU) has been signed between Cotton Corporation of India Ltd. (CCI) and the Ministry of Textiles for the year 1998-99. The objectives of the MOU include among other things augmenting the availability of certified seeds with a view to increasing the production and productivity of cotton in the country.

(c) No, Sir.

(d) Does not arise.

(e) Under its Village Adoption Scheme, the CCI adopts villages to promote the 'one village one variety' principle and it supplies good quality seeds to growers in such villages at a discount of 25% and also supplies good quality pesticides at cost. These measures are aimed at encouraging cotton growers to maintain purity of cotton and to facilitate production of truthful label seeds in the case of straight varieties.

Export of Horticulture

2603. SHRI R. SAMBASIVA RAO : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to make efforts for greater exports of horticulture products;

(b) if so, the details thereof;

(c) whether the private sector is likely to be involved in this scheme; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (d) The Government has been making continuous efforts to increase exports of horticulture products by providing assistance to growers and exporters through various schemes. The beneficiaries under the schemes implemented include those from the private sector apart from Government Cooperatives and public sector agencies. Some of the steps taken to enhance production and exports of horticulture items such as fruits and vegetables are:-

- (i) Providing assistance for raising small and large nurseries for production of good quality planting material, upgradation of technical knowhow of farmers through demonstrations, trainings and publicity, rejuvenation of old orchards, area expansion, supply of minikits for vegetables, improving productivity and training of farmers

under the Centrally Sponsored Scheme on Integrated Development of Tropical, Temperate and Arid Zone fruits;

- (ii) Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment;

- (iii) Providing financial assistance to exporters/growers/Cooperative Societies for development of infrastructural facilities such as purchase of specialised transport units, establishment of pre cooling/cold storage facilities, integrated post-harvest handling systems (pack houses); The scope and scale of financial assistance under various schemes have been reviewed and enhanced during the year 1997-98.

- (iv) Grant of financial assistance for improved packaging and strengthening of quality control including through installation of latest ISO 9000/HACCP equipments at export units;

- (v) Establishment of vapour heat treatment facilities for improving the acceptability of the product especially the mangoes in overseas markets. Research efforts are on for the use of modern technologies such as the Controlled/Modified Atmosphere technologies in transportation for increasing the shelf-life of perishable products;

- (vi) Grant of Air Freight Subsidy for exports of selected fresh vegetables and fruits;

- (vii) Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions;

- (viii) Setting up of integrated cargo handling and cold storage facilities at various International Airports for handling export of perishable items such as fresh fruits and vegetables;

- (ix) providing technical advisory services and other support services to, trade and industry including training to farmers for export production, quality control, packaging, transport, etc.

Production of Coffee

2604. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state:

(a) the States growing coffee at present and the production of coffee in these States during each of the last three years, State-wise;

(b) whether the Government propose to increase the production of coffee during the Ninth Plan; and

(c) if so, the strategies proposed to be adopted and incentives proposed to be granted to coffee growers, Coffee Board or any other agencies dealing with production of coffee to achieve the target?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Coffee is produced mainly in the three Southern States of Karnataka, Kerala and Tamil Nadu. State-wise performance during the last three years is as under:-

State	Quantity in tonnes		
	1995-96	1996-97	1997-98
Karnataka	1,58,900	1,41,000	1,58,650
Kerala	45,000	47,300	50,850
Tamil Nadu	17,500	15,700	16,500
Others*	1,600	1,000	2,000
Total	2,23,000	2,05,000	2,28,000

*Andhra Pradesh, Orissa, North-East States.

(b) and (c) The Govt. has set a target to produce 3 lakhs tonnes of coffee annually by the terminal year of the Ninth Plan. To achieve this target, the Coffee Board, besides operating several plan programmes and developmental activities aimed at intensive cultivation, replanting programme, quality improvement programme and water augmentation programme, has also been providing necessary support in the form of (a) agricultural research, (b) extension, (c) arrangement of credit and finance and other necessary back up support like supply of seed coffee for planting purposes, etc.

Export of Manufactured Articles

2605.DR. MADAN PRASAD JAISWAL : Will the Minister of COMMERCE be pleased the state:

(a) the percentage of manufactured articles in the total exports of the country during the last three years;

(b) the major items exported during the above period;

(c) whether there is any decline in the incentives for exports of any of such items;

(d) if so, the details thereof;

(e) the details of the items for which markets have been lost recently which were developed in the past; and

(f) the countries to which we have lost our market?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) As per the available data from Directorate General Commercial Intelligence & Statistics

(DGCI & S), during the last three years roughly three fourths of the total exports of the country was manufactured articles. The major items exported during this period include textiles, gems & jewellery, chemicals & allied products, electronics, engineering items and leather manufactures.

(c) and (d) The existing export incentive schemes have been further strengthened while an effort is being made constantly to evolve new strategies for accelerated growth of exports. Procedures are constantly being simplified and sector-specific issues are being addressed to deal with specific sectoral inadequacies so that a higher growth can be achieved in these sectors. The external trade sector has further been strengthened with the amendments introduced in the new Exim Policy. Infrastructural problems are being given special thrust through schemes Export Promotion Industrial park (EPIP) and Crucial Infrastructure Balance Scheme etc.

(e) and (f) The recession in world trade in general and slow growth of demand in major importing countries like, Japan, Germany, E.U., etc. has affected our exports of gems & jewellery, textiles, etc. Trade barriers in the form of anti-dumping duties etc. have also compounded the situation. Export of manufactured items have also suffered partly due the South East Asian currency crisis.

Drinking Water Projects in Tamil Nadu

2606. SHRI VAIKO : Will the Minister of FINANCE be pleased to state:

(a) whether Hogehekkal Joint Drinking Water Project in Tamil Nadu was to begin this year under the agreement reached with Japan;

(b) if so, whether due to sanctions announced by the Japan recently, this project is not likely to be launched as decide earlier; and

(c) if so, the steps the Government propose to take to arrange funds to launch the said project?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The Hogenakkal Water Supply and Sanitation Project was posed on two occasions to the Government of Japan for an Overseas Economic Cooperation fund (OECF) loan as part of the 1997-1998 and 1998-99 packages. It was not picked up for funding by the Japanese on either occasion.

(b) The Govt. of Japan have frozen loans for new projects for now and hence this project cannot be posed to them.

(c) Since this is a state project, and since OECF has not picked up the project for funding, it is for the State government to find appropriate resources for the project from within the State Plan.

Dumping of Waste and Unwanted Material

2607. SHRI MADHAVRAO SCINDIA : Will the Minister of COMMERCE be pleased to state:

(a) whether while import tariffs have declined from 87% in 1990-91 to 23.3 in 1997-98, there has been large scale dumping by way of import of waste and unwanted material over these years; and

(b) if so, the steps proposed to be taken to prevent such dumping?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Under the Customs Tariff Act, 1975, the Designated Authority in the Ministry of Commerce, looks into complaints of dumping of goods from foreign countries. Dumping is said to have occurred when the goods are sold into India at prices below the normal value prevailing in the domestic market of the exporting countries. Investigations are generally initiated by the Designated Authority on the basis of petitions from the domestic industry supported by sufficient evidence. The Designated Authority has not received any complaint on dumping of waste or unwanted material over the relevant period.

[Translation]

Allocation of Funds

2608. SHRI RAMDAS ATHAWALE :
SHRI PRABASH CHANDRA TIWARI :

Will the Minister of TOURISM be pleased to state:

(a) the year-wise details of the total amount allocated for promoting tourism in the country during the Eighth Five Year Plan, State-wise, particularly in Bihar and Maharashtra;

(b) the details of the amount spent out of the allocated amount during the last three years, State-wise, particularly in Bihar and Maharashtra;

(c) the number of tourist places in Bihar at present;

(d) whether many tourist centres are running into losses;

(e) if so, the reasons therefor; and

(f) the details of the losses suffered by each centre during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) During the 8th Plan (1992-93-1996-97) the financial assistance sanctioned to the States/Union Territory Administrations was about Rs. 17,124 lakhs. During this period, the financial assistance sanctioned for Bihar and Maharashtra was about Rs. 408 lakhs and Rs. 1,035 lakhs respectively.

(b) The funds released during the last three years for the promotion of tourism in the country and the States of Bihar and Maharashtra were as follow:-

Year	All States/Union Territories	Bihar (Rs. in lakhs)	Maharashtra
1995-96	1769	53	38
1996-97	1517	18	84
1997-98	1607	76	49

(c) The popular tourist places in Bihar are Bodhgaya, Vaishali, Rajgir, Nalanda, Gaya, Ranchi, Netarhat, Palamau, Hazaribag, Dhanbad, Bhagalpur, Monghyr, Sasaram, Sonapur, Darbhanga, Harmandir Takhat, Golghar etc.

(d) to (f) The tourist places are specific areas which are visited by the tourists and are not business establishment. Therefore, the question of tourist places running into losses does not arise.

[English]

Foreign Loans

2609. SHRI GORDHANBHAI JADAVBHAI JAVIYA : Will the Minister of FINANCE be pleased to state:

(a) the total amount of loans sanctioned/released to India, Union and State Governments, separately by various foreign countries International Monetary Fund, Asian Development Bank, World Bank and its affiliates as on May 31, 1998; and

(b) the total amount of unutilised foreign loans remained as on May 31, 1998, head-wise, project-wise and State-wise?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The information is being collected and will be laid on the Table of the House.

Dry Port in Maharashtra

2610. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of COMMERCE be pleased to state :

(a) the number of Dry Ports in the country, State-wise;

(b) whether the Government propose to set up Dry Ports in the country, particularly in Maharashtra;

(c) if so, the sites selected for setting up of such dry ports;

(d) the funds allocated for the purpose; and

(e) the time by which these ports are likely to be set-up?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The details are given in the Statement enclosed.

(b) to (d) An Inter-Ministerial Committee (IMC) is functioning in the Ministry of Commerce since 1992 to provide single window clearance to the proposals for setting up of Inland Container Depots (ICDs)/Container Freight Stations (CFSs) in the country. Setting up of ICDs/GFSs is an ongoing process. No specific targets are formulated - year-wise, region-wise, etc. The proposals are considered by the IMC as and when received, on merits. Both public and private sector are allowed to set up ICDs/CFSs.

(e) The Government does not allocate any funds for the purpose. Of the 85 ICDs/ CFSs approved by the IMC on ICDs/CFSs so far, 41 have started functioning. Others are at different stages of implementation. Also, out of the approved 85, 6 dry ports have been cancelled on different grounds, including on the request of the entrepreneur. Further as stated in the statement, 31 ICDs/CFSs were functioning prior to the setting up of the IMC on ICDs/CFSs.

Statement

State-Wise Break of ICDs/CFSs

Name of the State	ICDs/CFSs Functioning Prior to const. of IMC	ICDs/CFSs Approved by IMC
Tamil Nadu	5	16
Maharashtra	7	15
Uttar Pradesh	1	10
Rajasthan	1	7
Kerala	-	6
Gujarat	3	6
Punjab	3	4
West Bengal	-	5
Haryana	1	6
Madhya Pradesh	-	3
Karnataka	1	2
Orissa	-	2
Bihar	-	1
Andhra Pradesh	6	1
Goa	-	1
Assam	1	-
Delhi	2	-
Total :	31	85

* - Out of 85 projects, 6 (Six) have been cancelled on various grounds (including on the request of entrepreneur). Details as under : Maharashtra - 1, Uttar Pradesh - 2, Haryana - 2, Kerala - 1

Misuse of VABAL by STC

2611. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state:

(a) Whether the Directorate of Revenue Intelligence is investigating into the role of the State Trading Corporation for misusing Value Based Advance Licence Scheme (VABAL) in export of plastic garbage bags to Dubai in collusion with an Export House of Delhi;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) No, the Directorate of Revenue Intelligence is not investigating into the role of the State Trading Corporation in the alleged misuse of the Value Based Advance Licensing Scheme (VABAL) in the export of plastic, garbage bags to Dubai in collusion with an Export House of Delhi.

However, the Directorate had investigated one case relating to M/s. Crufford India Ltd., New Delhi, in which the STC officials brokered export deals, where it is suspected that the Delhi firm enjoyed undue duty free import benefit under the VARAL Scheme. Show Cause Notice for over valuation of export products of a declared FOB value of Rs. 3.45 crores has been issued by the Commissioner of Customs (Air Cargo), Delhi on 29.12.97 in this case.

While there is no evidence with the Directorate to suggest abetment of STC officials in this fraud, their role is being investigated by the CBI separately.

Financial Assistance for Coir Development

2612. SHRI A.C. JOS : Will the Minister of INDUSTRY be pleased to state the financial assistance provided by the Union Government to the Government of Kerala for its Integrated Coir Development Project during each of the last three years?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : The financial assistance provided by the Union Government to the Government of Kerala for its Integrated Coir Development Project during each of the last three years is as follows:-

1995-96	Nil
1996-97	Rs. 365.65 lakhs.
1997-98	Rs. 145.35 lakhs.

Power Project Proposals

2613. DR. T. SUBBARAMI REDDY : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Foreign Investment Promotion Board has decided not to take up power project proposals which have failed to tie-up fuel linkage;

(b) if so, whether the Ministry of power has made a policy decision that application for power generation was to be considered by the FIPB only after a tie-up has been made for fuel supply;

(c) if so, the details thereof;

(d) whether the Board has rejected the proposal to induct one percent equity in the 520 MW cobra project in the absence of any coal linkage; and

(e) if so, the total proposals which the FIPB has scrapped due to failure of fuel linkage?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) The Foreign Investment Promotion Board (FIPB) considers power project proposals involving foreign investment in consultation with the Ministry of Power, who are the Administrative Ministry. The Ministries of Petroleum & Natural Gas and Coal (as the case may be) are consulted about the proposed fuel linkage.

(c) Does not arise.

(d) The Board has rejected the proposal seeking 100% foreign equity to develop the 520MW Coal fired power project in Korba in the absence of appropriate fuel linkage based on the comments of the Administrative Ministry.

(e) The FIPB has rejected four power project proposals in the absence of appropriate fuel linkage.

INDO-German Trade

2614. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state:

(a) the areas in which Indo-German trade have been established;

(b) whether there is a great potential for increasing bilateral trade between both the countries; and

(c) if so, the proposal mooted by the Government in this direction?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The main products being exported from India to Germany include various textiles items including garments and made ups; leather and leather goods; carpets; precious/semi precious stones and pearls; tea; jute; engineering goods; chemicals and pharmaceuticals.

The main items being imported into India from Germany include machinery of various types; electro-technical goods; chemicals and pharmaceuticals; iron and steel products; vehicles; precision instruments.

(b) Yes Sir.

(c) It is the endeavour of the Government to expand trade relations with all countries including Germany. The steps being taken in this direction include preparation of market studies; publication of news bulletins giving commercial information about Germany; participation of Indian exporters in international trade fairs in Germany; exchange of business delegations; organization of promotional seminars on India in Germany; and interation with the agencies concerned in Germany both at government and trade/industry level. The 13th session of the Indo-German Joint Commission on Industrial and Economic Cooperation held in New Delhi on 8-9 January, 1998, reviewed bilateral trade between the two countries and discussed further measures to increase it.

AG's Opinion on Sale of Coal by Captive Mines

2615. SHRI R. SAMBASIVA RAO : Will the Minister of COAL be pleased to state:

(a) whether his Ministry has sought the Attorney General's opinion on a proposal to allow sale by captive mines to State Electricity Boards and other power companies;

(b) if so, whether any advice of the Law Ministry has also been sought by his Ministry in this regard;

(c) if so, whether Attorney General's views have been obtained; and

(d) if so, the extent to which they are likely to attract more investment in captive mines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (c) As per the provisions of the Coal Mines Nationalisation Act, 1973 as amended in 1993, a company engaged in the business of generating power can mine coal for its own consumption. In a specific case a power company has proposed to mine coal through an associated captive coal mining company. The coal mining company pointed out that in certain situations the power company may not be in a position to accept coal from the coal mining company and in such circumstances in order to maintain the viability of the coal company it was required that the concerned State Electricity Board should purchase such coal. The advice of Ministry of Law was sought on the question whether in such circumstances the captive coal mine could be permitted to sell coal to the State Electricity Board. The advice of the Attorney General was also obtained through Ministry of Law on the matter and his advice has been received in the Ministry.

(d) While the sale of coal by captive coal mines to State Electricity Board in certain situations would reduce the risk for coal mining, the extent to which this will increase the investment in captive mines is not possible to determine.

Income Tax and Wealth Tax

2616. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of FINANCE be pleased to state:

(a) the names of film artists, producers, directors against whom income tax/wealth tax demand exceeding Rs. 50,000 remained outstanding as on 1.4.1998;

(b) the amount outstanding against each person; and

(c) the steps taken or proposed to be taken by the Government to collect the dues immediately?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) The information is being collected and will be laid on the Table of the House.

[Translation]

Loss in N.T.C.

2617. SHRI SHANKER PRASAD JAISWAL : Will the Minister of TEXTILES be pleased to state:

(a) whether any action plan has been formulated to bring the loss of National Textile Corporation at minimum level;

(b) if so, the details thereof;

(c) whether the Government propose to release any special package in the interest of their labourers; and

(d) if so, the time by which it is likely to be implemented?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) Production activities in NTC group companies have had to be curtailed due to non-viability of their operations and lack of working capital. The increase in losses for the present is mainly due to increase in salary/wage bill and interest charges. NTC management have been advised to exercise economy in its expenditure and minimize the losses.

(c) and (d) Govt. is considering a revised package for the NTC Mills based on the BIFR norm of networth turning positive within the stipulated period. The interest of the workers will be kept in view in the revival plan.

[English]

Export of Iron Ore

2618. SHRI K.C. KONDAIAH :
SHRI FRANCISCO SARDINHA :

Will the Minister of COMMERCE be pleased to state:

(a) whether Export of Iron Ore during 1996-97 was much higher as compared to earlier years;

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

(c) the figures for the year 1997-98 and the projections for 1998-99 thereof; and

(d) the foreign exchange earned through export of Iron Ore during the above period?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Export of Iron Ore during the last 7 years as per DGCI&S statement are as under:

Years	US \$ mn
1990-91	584.63
1991-92	586.49
1992-93	360.24
1993-94	437.95
1994-95	413.14
1995-96	514.55
1996-97	483.49

(c) and (d) Exports during 1997-98 are US \$ 474.4 million.

Projections for 1998-99 are US \$ 569.3 million (tentative).

Transfers in Income Tax Department

2619. SHRI BIR SINGH MAHATO:
SHRI V.V. RAGHAVAN:
SHRI INDRAJIT GUPTA:
SHRI SANDIPAN THORAT:
DR. Y.S. RAJASEKHAR REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether a number of Income Tax officials have been transferred recently affecting the ongoing investigations against a number of politicians; and

(b) if so, the details and reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS

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

(b) Does not arise.

Export of Textiles to U.S.A.

2620. SHRI MOHAN SINGH:
SHRI K.P. NAIDU:
PROF. P.J. KURIEN:
SHRI PRITHVIRAJ D. CHAVAN:
SHRI K.S. RAO:
SHRI MAGANTI BABU:

Will the Minister of TEXTILES be pleased to state:

(a) whether U.S.A. has initiated moves to strip India of 'Most Favoured Nation' status by slapping trade restrictions in the export of textiles from India after India's nuclear tests;

(b) if so, the defensive measures being taken by the Government in this regard;

(c) the value of textiles is exported to America annually;

(d) the extent of textile trade likely to be affected in case the America imposes restrictive customs duty; and

(e) the details of the share of India in regard to export of textiles to America?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) The U.S. Government have not initiated any move to strip India of 'Most Favoured Nation' status by slapping trade restrictions in the export of textiles from India.

The export of textiles and clothing to the U.S.A. during 1997 amounted to Rs. 7,700/- crores (approximately).

In the total textiles and garment products imported by the U.S.A., the share of India is about 3.7%, at present.

Coir Board

2621. SHRI A.C. JOS : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Coir Board has agreed to provide a sum of Rs. 50 lakh to the Kerala Coir Workers Welfare Fund.

(b) if so, the details thereof;

(c) the reasons for not releasing the amount; and

(d) the steps taken by the Government for immediate release of the fund?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) No, Sir. Government have so far not decided to give any grant to the Kerala Coir Workers Welfare Fund this year.

(b) Does not arise.

(c) and (d) Coir Board had evaluated the performance of the Kerala Coir Workers' Welfare Fund. The evaluation report has pointed out many irregularities which have been brought to the notice of the Kerala Coir Workers' Welfare Fund Board by the Coir Board. The Coir Board had suggested to the Kerala Coir Workers' Welfare Fund Board to maintain proper accounts for the disbursement of pension etc. This matter has also been considered by the Government and it is felt that it would not be possible for the Government to release any grant to the Kerala Coir Workers' Welfare Fund Board unless remedial steps are taken by them for improving the operations of the Fund as advised by the Coir Board. State Governments has also been requested to initiate necessary action in the matter. The Coir Board has also been advised to take follow up steps with the Welfare Fund Board.

Complaints against JVG

2622. SHRI CHANDRESH PATEL :
DR. PRABHA THAKUR :
SHRI PRABHUNATH SINGH :
SHRI RATILAL KALIDAS VARMA :
SHRI FAGGAN SINGH KULESTE :
SHRI BHAGWAN SHANKAR RAWAT :
SHRI SUSHIL CHANDRA VARMA :

Will the Minister of FINANCE be pleased to state:

(a) the date since when the Group of Companies named "JVG" registered with the RBI alongwith its aims;

(b) the locations of the branches, opened by the JVG in the Country indicating the amount collected by these branches from the investors since their inception in each state;

(c) whether the Government have received complaints regarding non payment of refund to the investors by JVG and its branches and closing of such branches leaving the investors in high and dry;

(d) if so, the details of complaints received during 1997-98 till date, state-wise;

(e) the action taken/proposed to be taken by the Government against JVG and to ensure the payment of refund to the investors;

(f) whether the RBI has imposed any ban on the functioning of JVG and its branches;

(g) if so, the details thereof indicating date of imposing ban, aims and reasons and the period for which ban has been imposed;

(h) whether the said group of companies is still functioning in the country by violating the directions of the RBI; and

(i) if so, the action being taken against JVG for violation of RBI's directions?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) According to RBI the JVG Group of Companies are not registered with the Reserve Bank of India (RBI).

(b) According to RBI, the JVG Group is reported to have more than 4000 offices all over India. RBI do not have break-up of the deposits raised by the individual branches. As per the balance sheet as on 31st March, 1997, JVG Finance JVG Leasing and JVG Securities have deposits to the tune of Rs. 390.16 crores, Rs. 95.02 crore and Rs. 1.51 crore respectively.

(c) Government and Reserve Bank of India have been receiving complaints regarding default in repayment of deposits/payment of interest from depositors in respect of a number of Non-Banking Financial Companies (NBFCs) including JVG,

(d) State-wise details of the complaints made by the depositors is not available with the RBI.

(e) to (g) and (i) RBI had directed M/s JVG Finance Ltd. and M/s. JVG Leasing Ltd. that they should not accept further deposits in July 1997 based on adverse inspection findings. Subsequently, on receipt of complaints of default in refund of deposits all the three companies including M/s. JVG Securities Ltd. have been prohibited from acceptance of fresh deposits and renewals thereof w.e.f. October 10, 1997. They are also prohibited from alienating their assets in terms of Section 45MB(2) of the RBI Act, 1934. Company Law Board has also received complaints of non payment of deposit/interest from the investors of JVG Finance Limited and JVG Finance Company under Section 45QA of the RBI Act. On May 28, 1998, the applications for issue of certificate of registration to carry on non-banking financial institution activities of M/s. JVG Finance Ltd., M/s. JVG Leasing Ltd. and M/s. JVG Securities Ltd. were rejected while the application of M/s. JVG Holdings Ltd. was rejected earlier. The companies, therefore, cannot carry on financial activities from then onwards. Criminal complaints under section 58E(1) read with Section 58B and Section 58C of the RBI Act, 1934 were filed in the Courts of Chief Metropolitan

Magistrates in Delhi on 29/30th May, 1998 against the three companies, viz. JVG Finance Ltd., JVG Leasing Ltd. and JVG Securities Ltd. praying prosecution of the companies and the directors. The Bank has also filed applications for winding up of the companies under Section 45MC of the RBI Act, 1934 in the Hon'ble Delhi High Court before the vacation judge, on 5th June, 1998. The application was admitted and the Hon'ble Court have appointed official liquidators as provisional liquidators.

(h) Consequent on the rejection of their applications for issue of certificate of registration, the companies cannot carry on any financial activity and they cease to function as NBFCs.

12.00 hrs.

PAPERS LAID ON THE TABLE

[English]

Copies of Detailed Demands for Grants Vol. I & II of Ministry of Home Affairs for 1998-99

THE MINISTER OF HOME AFFAIRS (SHRI L.K. ADVANI) : I beg to lay on the Table-

- (1) A copy of the Detailed Demands for Grants (Vol. I) (Hindi and English versions) of the Ministry of Home Affairs for the year 1998-99.
- (2) A copy of the Detailed Demands for Grants (Vol. II) (Hindi and English versions) of the Ministry of Home Affairs (Union Territories without Legislature) for the year 1998-99.

[Placed in Library, See No. LT 694/98]

Annual Reports of Fragrance and Flavour Development Centre Kannauj, Centre for the Development of Glass Industry Firozabad etc. review of their working and statement showing reasons for delay in laying the reports etc.

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : I beg to lay on the Table-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Fragrance and Flavour Development Centre, Kannauj, for the year 1996-97 alongwith Audited Accounts.
- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Fragrance and Flavour Development Centre, Kannauj, for the year 1996-97.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the paper mentioned at (1) above.

[Placed in Library, See No. LT 695-98]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Centre for the Development of Glass Industry, Firozabad, for the year 1996-97 alongwith Audited Accounts.

- (ii) Statement (Hindi and English versions) regarding Review by the Government of the working of the Centre for the Development of Glass Industry, Firozabad, for the year 1996-97.

- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library, See No. LT 696-98]

- (5) Statement (Hindi and English versions) showing reasons for delay in laying the Annual Report* of the Process and Product Development Centre, Agra, for the year 1996-97.

[Placed in Library, See No. LT 697-98]

- (6) Statement (Hindi and English versions) showing reasons for delay in laying the Annual Report** of the Central Institute of Hand Tools, Jalandhar, for the year 1996-97.

[Placed in Library, See No. LT 698-98]

- (7) Statement (Hindi and English versions) showing reasons for delay in laying the Annual Report and Audited Accounts** of the Central Footwear Training Institute, Agra, for the year 1996-97.

[Placed in Library, See No. LT 699-98]

- (8) Statement (Hindi and English versions) showing reasons for delay in laying the Annual Report and Audited Accounts** of the Central Footwear Training Institute, Chennai, for the year 1996-97.

[Placed in Library, See No. LT 700-98]

- (9) Statement (Hindi and English versions) showing reasons for delay in laying the Annual Report and Audited Accounts** of the Process-cum-Product Development Centre, Meerut for the year 1996-97.

[Placed in Library, See No. LT 701-98]

- (10) A copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Industry for the year 1998-99.

[Placed in Library, See No. LT 702-98]

- (11) Statement (Hindi and English versions) showing reasons for delay in laying the Annual Report of the Central Pulp and Papers Research Institute for the year 1996-97.

[Placed in Library, See No. LT 703-98]

Demands for Grants of the Ministry of Food and Consumer Affairs - 1998-99

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI SATYA PAL SINGH YADAV) : On behalf of Sardar Surjit Singh Barnala, I beg to lay on the table-

a copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Food and Consumer Affairs, for the year 1998-99.

[Placed in Library, See No. LT 704-98]

Annual Report of Export Credit Guarantee Corporation of India Ltd. Mumbai etc. review of their working, statement showing reasons for delay in laying reports etc., Export and Import Policies, Handbook of Procedures etc.

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE): 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 619A of the Companies Act, 1956:-

- (a) (i) Review by the Government of the working of the Export Credit Guarantee Corporation of India Limited, Mumbai for the year 1996-97.

- (ii) Annual Report of Export Credit Guarantee Corporation of India Limited, Mumbai, for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library, See No. LT 705-98]

- (b) (i) Review by the Government of the working of the Spices Trading Corporation Limited, Bangalore, for the year 1996-97.

- (ii) Annual Report of the Spices Trading Corporation Limited, Bangalore, for the year 1996-97 alongwith Audited Ac-

*The Annual Report was laid on the Table on 29.5.1998.

**The Annual Report and Audited Accounts were laid on Table 5-6-1998.

- counts and comments of the Comptroller and Auditor General thereon.
- [Placed in Library, See No. LT 706-98]
- (c) (i) Review by the Government of the working of the MMTC Limited, New Delhi, for the year 1996-97.
- (ii) Annual Report of the MMTC Limited, New Delhi for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.
- (2) Three Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.
- [Placed in Library, See No. LT 707-98]
- (3) A copy of the Export and Import Policy (1 April, 1997-31 March, 2002) (incorporating amendments made upto 13th April, 1998) (Hindi and English versions).
- [Placed in Library, See No. LT 708-98]
- (4) Handbook of Procedures (Volume I) (1 April, 1997-31 March, 2002 (incorporating amendments made upto 13th April, 1998) (Hindi and English versions).
- [Placed in Library, See No. LT 709-98]
- (5) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Council of Arbitration for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Indian Council of Arbitration for the year 1996-97.
- [Placed in Library, See No. LT 710-98]
- (6) (i) A copy of the Annual Report (Hindi and English versions) of the Council for Leather Exports, Chennai for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Council for Leather Exports, Chennai, for the year 1996-97.
- [Placed in Library, See No. LT 711-98]
- (7) (i) A copy of the Annual Report (Hindi and English versions) of the Sports Goods Export Promotion Council, New Delhi, for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Sports Goods Export Promotion Council, New Delhi, for the year 1996-97.
- (8) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (7) above.
- [Placed in Library, See No. LT 712-98]
- (9) (i) A copy of the Annual Report (Hindi and English versions) of the Coffee Board for the year 1996-97.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Coffee Board, for the year 1996-97.
- (10) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (9) above.
- [Placed in Library, See No. LT 713-98]
- (11) (i) A copy of the Annual Report (Hindi and English versions) of the Rubber Board, Kottayam, for the year 1996-97.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Rubber Board, Kottayam, for the year 1996-97.
- (12) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (11) above.
- [Placed in Library, See No. LT 714-98]
- (13) A copy of the Annual Accounts (Hindi and English versions) of the Rubber Board, Kottayam, for the year 1996-97, together with Audit Report thereon.
- (14) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (13) above.
- [Placed in Library, See No. LT 715-98]
- (15) (i) A copy of the Annual Report (Hindi and English versions) of the Spices Board, Cochin, for the year 1996-97.
- (ii) A copy of the Annual Account (Hindi and English versions) of the Spices Board, Cochin, for the year 1996-97 together with Audit Report thereon.
- (iii) A copy of the Review (Hindi and English versions) by the Government of the working

of the Spices Board, Cochin, for the year 1996-97.

- (16) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (15) above.

[Placed in Library, See No. LT 716-98]

- (17) (i) A copy of the Annual Report (Hindi and English versions) of the Overseas Construction Council of India, Mumbai, for the year 1996-97 alongwith Audited Accounts.

- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Overseas Construction Council of India, Mumbai, for the year 1996-97.

[Placed in Library, See No. LT 717-98]

- (18) A copy of the Export of Animal Casings (Quality Control and Inspection) Rules, 1997 (Hindi and English versions) published in Notification No. S.O. 2948 in Gazette of India dated the 22nd November, 1997 under sub-section (3) of section 17 of the Export (Quality Control and Inspection) Act, 1963.

[Placed in Library, See No. LT 718-98]

- (19) A copy of the Memorandum of Understanding (Hindi and English versions) between the Export Credit Guarantee Corporation of India Limited and the Ministry of Commerce, for the year 1998-99.

[Placed in Library, See No. LT 719-98]

- (20) A copy of the Memorandum of Understanding (Hindi and English versions) between the State Trading Corporation of India Limited and the Ministry of Commerce for the year 1998-99.

[Placed in Library, See No. LT 720-98]

- (21) A copy of the Memorandum of Understanding (Hindi and English versions) between the PEC Limited and the Ministry of Commerce for the year 1998-99.

[Placed in Library, See No. LT 721-98]

- (22) A copy of the Notification S.O. 145 (E) (Hindi and English versions) published in Gazette of India dated the 24th February, 1998 authorising the Officers specified therein for the purpose of exercising powers under section 13 of the Foreign Trade (Development and Regulation) Act, 1992 issued under section 13 of the said Act.

[Placed in Library, See No. LT 722-98]

- (23) A copy of the Audit Report (Hindi and English versions) of the Pool Fund Accounts of the Coffee Board for the year 1995-96.

- (24) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (23) above.

[Placed in Library, See No. LT 723-98]

Demands for Grants of the Ministry of Science and Technology for 1998-99

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : On behalf of Dr. Murti Manohar Joshi, I beg to lay on the Table- a copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Science and Technology for the year 1998-99.

[Placed in Library, See No. LT 724-98]

Annual Report of India Tourism Development Corporation New Delhi review of its working and statement showing reasons for delay

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : 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 619A of the Companies Act, 1956:-

- (i) Review of the Government of the working of the India Tourism Development Corporation, New Delhi, for the year 1996-97.

- (ii) Annual Report of the India Tourism Development Corporation, New Delhi, for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library, See No. LT 725-98]

Demands for Grants of the Ministry of Law, Justice and Company Affairs for 1998-99

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS AND MINISTER OF SURFACE TRANSPORT (SHRI M. THAMBI DURAI) : I beg to lay on the Table - a copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Law Justice and Company Affairs for the year 1998-99.

[Placed in Library, See No. LT 726-98]

Annual Reports of Cotton Textile Export Promotion Council, Mumbai, Synthetic and Rayon Textile Export Promotion Council, Mumbai etc. Review of their working and Statements showing reasons for delay etc.

THE MINISTER OF TEXTILES (SHRI KANSHIRAM RANA) : I beg to lay on the Table -

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Cotton Textiles Export Promotion Council, Mumbai, for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Cotton Textiles Export Promotion Council, Mumbai, for the year 1996-97.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.
[Placed in Library, See No. LT 727-98]
- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Synthetic and Rayon Textiles Export Promotion Council, Mumbai, for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Synthetic and Rayon Textiles Export Promotion Council, Mumbai, for the year 1996-97.
- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.
[Placed in Library, See No. LT 728-98]
- (5) (i) A copy of the Annual Report (Hindi and English versions) of the Central Wool Development Board, Jodhpur, for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Central Wool Development Board, Jodhpur, for the year 1996-97.
- (6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.
[Placed in Library, See No. LT 729-98]
- (7) A copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Textiles for the year, 1998-99.
[Placed in Library, See No. LT 730-98]

- (8) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956:-
 - (i) Review by the Government of the working of the National Textile Corporation Limited, New Delhi, for the year 1995-96.
 - (ii) Annual Report of the National Textile Corporation Limited, New Delhi, for the year 1995-96 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.
- (9) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (8) above.

[Placed in Library, See No. LT 731-98]

Notifications under Customs Act, 1962, Securities and Exchange Board of India Act, 1992, Central Excise, Act 1944 etc. etc.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : I beg to lay on the Table -

- (1) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962:-
 - (i) G.S.R. 519(E) published in Gazette of India dated the 2nd September, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 11/97-Cus., dated the 1st March, 1997.
 - (ii) G.S.R. 545(E) published in Gazette of India dated the 16th September, 1997 together with an explanatory memorandum regarding exemption to goods specified therein when imported into India from so much of the Special duty of Customs leviable thereon
 - (iii) G.S.R. 578(E) published in Gazette of India dated the 3rd October, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 11/97-Cus., dated the 1st March, 1997.
 - (iv) G.S.R. 594(E) published in Gazette of India dated the 14th October, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 154/94-Cus., dated the 13th July, 1994.
 - (v) G.S.R. 608(E) published in Gazette of India dated the 21st October, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 11/97-Cus., dated the 1st March, 1997.

- (vi) G.S.R. 609(E) published in Gazette of India dated the 21st October, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 117/94-Cus., dated the 27th April, 1994.
- (vii) G.S.R. 610(E) published in Gazette of India dated the 21st October, 1997 together with an explanatory memorandum regarding exemption to goods specified therein when imported into India by Minera and Metals Trading Corporation of India etc. for sale in domestic market.
- (viii) G.S.R. 623(E) published in Gazette of India dated the 27th October, 1997 together with an explanatory memorandum seeking to grant full exemption from payment of Special duty of Customs on gold and silver when imported into India.
- (ix) G.S.R. 521(E) published in Gazette of India dated the 3rd September, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 34/97-Cus., dated the 7th April, 1997.
- (x) G.S.R. 535(E) published in Gazette of India dated the 11th September, 1997 together with an explanatory memorandum regarding exemption to vessels carrying exclusively coastal goods.
- (xi) G.S.R. 645(E) published in Gazette of India dated the 11th September, 1997 together with an explanatory memorandum regarding exemption to goods imported into India by the United Nations or an International Organisation from the execution of projects from the whole of the duty of Customs.
- (xii) The Courier Imports (Clearance) Amendment Regulations, 1997 published in Notification No. G.S.R. 664(E) in Gazette of India dated the 24th November, 1997 together with an explanatory memorandum.
- (xiii) G.S.R. 676(E) published in Gazette of India dated the 27th November, 1997 together with an explanatory memorandum extending the DEPB facility for export from the port at Kakinada and Inland Container Depots at Nagpur, Agra, Faridabad, Jaipur Guntur and Varanasi.
- (xiv) G.S.R. 697(E) and G.S.R. 698(E) published in Gazette of India dated the 12th December, 1997 together with an explanatory memorandum making certain amendments in the Notifications Nos. 111/95-Cus., dated the 5th June, 1995 and Notification No. 29/97 Cus., dated the 1st April, 1997.
- (xv) G.S.R. 91(E) published in Gazette of India dated the 27th February, 1998 together with an explanatory memorandum rescinding the Notification No. 52-Cus., dated the 1st February, 1963.
- (xvi) G.S.R. 92(E) published in Gazette of India dated the 27th February, 1998 together with an explanatory memorandum regarding exemption to vessels carrying exclusively coastal goods from the delivery of the advice book on arrival at each port of call to the proper officer at that port.
- (xvii) The Courier Imports (Clearance) Amendment Regulations, 1998 published in Notification No. G.S.R. 221(E) in Gazette of India dated the 28th April, 1998, together with an explanatory memorandum.

[Placed in Library, See No. LT 732/98]

- (2) A copy each of the following Notifications (Hindi and English versions) under section 31 of the Securities and Exchange Board of India Act, 1992:-

- (i) The Securities and Exchange Board of India (Annual Report) Amendment Rules, 1997 published in Notification No. G.S.R. 669(E) in Gazette of India dated the 27th November, 1997.
- (ii) The Securities and Exchange Board of India (Custodian of Securities) Amendment Regulations, 1997 published in Notification No. S.O. 732 (E) in Gazette of India dated the 17th October, 1997.
- (iii) The Securities and Exchange Board of India (Foreign Institutional Investors) (Third Amendment) Regulations, 1997 published in Notification No. S.O.823 (E) in Gazette of India dated the 5th December, 1997.
- (iv) The Securities and Exchange Board of India (Merchant Bankers) Amendment Regulations, 1997 published in Notification No. S.O. 837(E) in Gazette of India dated the 9th December, 1997, together with a corrigendum thereto published in Notification No. S.O. 869(E) dated the 15th December, 1997.

- (v) The Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Amendment Regulations, 1998, published in Notification No. S.O. 13(E) in Gazette of India dated the 5th January, 1998.
- (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Amendment Regulations, 1998, published in Notification No. S.O. 14(E) in Gazette of India dated the 5th January, 1998.
- (vii) The Securities and Exchange Board of India (Bankers to an Issue) Amendment Regulations, 1998, published in Notification No. S.O. 15(E) in Gazette of India dated the 5th January, 1998.
- (viii) The Securities and Exchange Board of India (Debenture Trustees) Amendment Regulations, 1998, published in Notification No. S.O. 16(E) in Gazette of India dated the 5th January, 1998.
- (ix) The Securities and Exchange Board of India (Custodian of Securities) Amendment Regulations, 1998, published in Notification No. S.O. 17(E) in Gazette of India dated the 5th January, 1998.
- (x) The Securities and Exchange Board of India (Depositories and Participants) Amendment Regulations, 1998, published in Notification No. S.O. 18(E) in Gazette of India dated the 5th January, 1998.
- (xi) The Securities and Exchange Board of India (Venture Capital Funds) Amendment Regulations, 1998, published in Notification No. S.O. 19(E) in Gazette of India dated the 5th January, 1998.
- (xii) The Securities and Exchange Board of India (Portfolio Managers) Amendment Regulations, 1998, published in Notification No. S.O. 20(E) in Gazette of India dated the 5th January, 1998.
- (xiii) The Securities and Exchange Board of India (Underwriters) Amendment Regulations, 1998, published in Notification No. S.O. 21(E) in Gazette of India dated the 5th January, 1998.
- (xiv) The Securities and Exchange Board of India (Mutual Funds) Amendment Regulations, 1998, published in Notification No. S.O. 32(E) in Gazette of India dated the 12th January, 1998, together with a corrigendum thereto published in Notification No. S.O. 105(E) dated the 6th February, 1998.
- (xv) The Securities and Exchange Board of India (Merchant Bankers) Amendment Regulations, 1998, published in Notification No. S.O. 74(E) in Gazette of India dated the 21st January, 1998.
- (xvi) The Securities and Exchange Board of India (Stock-brokers and Sub-brokers) (Second Amendment) Regulations, 1998, published in Notification No. S.O. 75(E) in Gazette of India dated the 21st January, 1998.
- (xvii) The Securities and Exchange Board of India (Depositories and Participants) (Second Amendment) Regulations, 1998, published in Notification No. S.O. 76(E) in Gazette of India dated the 21st January, 1998.
- (xviii) S.O. 106(E) published in Gazette of India dated the 6th February, 1998 containing Corrigendum to the Notification No. S.O. 124(E) dated the 20th February, 1997.
- (xix) The Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 1998 published in Notification No. S.O. 333(E) in Gazette of India dated the 20th April, 1998.
- (xx) The Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 1998 published in Notification No. S.O. 417(E) in Gazette of India dated the 18th May, 1998.
- [Placed in Library, See No. LT 733/98]
- (3) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excise Act, 1944:-
- (i) G.S.R 485(E) published in Gazette of India dated the 27th August, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 4/97-CE, dated the 1st March, 1997.
- (ii) G.S.R 492(E) published in Gazette of India dated the 28th August, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 4/97-CE, dated the 1st March, 1997.
- (iii) G.S.R 498(E) published in Gazette of India dated the 30th August, 1997 together with

- an explanatory memorandum making certain amendments in the Notifications mentioned therein.
- (iv) G.S.R 499(E) published in Gazette of India dated the 30th August, 1997 together with an explanatory memorandum making certain amendments in the Notifications No. 50/97-CE, dated the 1st August, 1997.
- (v) G.S.R 500(E) published in Gazette of India dated the 30th August, 1997 together with an explanatory memorandum declaring certain inputs and final products falling within the Schedule to the Central Excise Tariff Act, 1985.
- (vi) G.S.R 501(E) published in Gazette of India dated the 30th August, 1997 together with an explanatory memorandum making certain amendments in the Notification mentioned therein.
- (vii) G.S.R 502(E) published in Gazette of India dated the 30th August, 1997 together with an explanatory memorandum making certain amendments in the Notifications mentioned therein.
- (viii) The Central Excise (Eighth Amendment) Rules, 1997 published in Notification No. G.S.R. 503(E) in Gazette of India dated the 30th August, 1997.
- (ix) The Hot Re-rolling Steel Mills Annual Capacity Determination (Amendment) Rules, 1997 published in Notification No. G.S.R. 504(E) in Gazette of India dated the 30th August, 1997.
- (x) G.S.R. 526(E) published in Gazette of India dated the 10th September, 1997 together with an explanatory memorandum specifying all goods as the goods to which the provisions of sub-section (2) of the section 4A of the Central Excise Act, 1944 shall apply.
- (xi) G.S.R. 527(E) published in Gazette of India dated the 10th September, 1997 together with an explanatory memorandum seeking to allow an abatement of thirty per cent of the retail price in respect of the goods, other than monochrome.
- (xii) G.S.R. 539(E) published in Gazette of India dated the 15th September, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 85/87-CE, dated the 1st March, 1987.
- (xiii) G.S.R. 571(E) published in Gazette of India dated the 1st-October, 1997 together with an explanatory memorandum making certain amendments in the Notifications mentioned therein.
- (xiv) G.S.R. 587(E) published in Gazette of India dated the 9th October, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 4/97-CE, dated the 1st March, 1997.
- (xv) G.S.R. 592(E) published in Gazette of India dated the 13th October, 1977 together with an explanatory memorandum making certain amendments in the Notifications mentioned therein.
- (xvi) G.S.R. 605(E) published in Gazette of India dated the 21st October, 1997 together with an explanatory memorandum regarding exemption to parts and components of motor vehicles from so much of duty of excise leviable thereon.
- (xvii) G.S.R. 606(E) published in Gazette of India dated the 21st October, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 4/97-CE, dated the 1st March, 1997.
- (xviii) G.S.R. 647(E) published in Gazette of India dated the 12th November, 1997 together with an explanatory memorandum regarding exemption to dyed woven fabrics from the whole of the duty of excise leviable thereon.
- (xix) G.S.R. 677(E) published in Gazette of India dated the 27th November, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 109/94-CE, dated the 13th May, 1994.
- (xx) G.S.R. 678(E) published in Gazette of India dated the 27th November, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 5/94-CE, dated the 1st March, 1994.
- (xxi) The Central Excise (First Amendment) Rules, 1998 published in Notification No. G.S.R. 49(E) in Gazette of India dated the 23rd January, 1998.
- (xxii) The Central Excise (Fifth Amendment) Rules, 1998 published in Notification No.

G.S.R. 245(E) in Gazette of India dated the 12th May, 1998.

[Placed in Library See No. LT 734/98]

- (4) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 36 of the Recovery of debts due to Banks and Financial Institution Act, 1993:-

- (i) The Debts Recovery Appellate Tribunal (Financial and Administrative Power) Rules, 1997 published in Notification No. G.S.R. 337(E) in Gazette of India dated the 24th June, 1997 together with a corrigendum thereto published in Notification No. G.S.R. 434(E) dated the 1st August, 1997.
- (ii) The Debts Recovery Appellate Tribunal (Financial and Administrative Power) Rules, 1997 published in Notification No. G.S.R. 338(E) in Gazette of India dated the 24th June, 1997 together with a corrigendum thereto published in Notification No. G.S.R. 435(E) dated the 1st August, 1997.
- (iii) The Debts Recovery Appellate Tribunal (Procedure for appointment as Presiding Officer of the Appellate Tribunal) Rules, 1998 published in Notification No. G.S.R. 31(E) in Gazette of India dated the 19th January, 1998 together with a corrigendum thereto published in Notification No. G.S.R. 81(E) dated the 23rd February, 1998.
- (iv) The Debts Recovery Tribunal (Procedure for appointment as Presiding Officer of the Tribunal) Rules, 1998 published in Notification No. G.S.R. 32(E) in Gazette of India dated the 19th June, 1998 together with a corrigendum thereto published in Notification No. G.S.R. 82(E) dated the 23rd February, 1998.
- (v) The Debts Recovery Tribunal (Salaries, allowances and other terms and conditions of service of Presiding Officer) Amendment Rules, 1998 published in Notification No. G.S.R. 139(E) in Gazette of India dated the 19th March, 1998.

[Placed in Library, See No. LT 735/98]

- (5) A copy each of the following Notifications (Hindi and English versions) issued under section 3 and 8 of the Recovery of Debts Due of Banks and Financial Institutions Act, 1993:-

(i) G.S.R. 416(E) published in Gazette of India dated the 27th April, 1994 establishing the Debts Recovery Tribunals at West Bengal and Andaman and Nicobar Islands.

(ii) G.S.R. 653(E) to G.S.R. 655(E) published in Gazette of India dated the 30th August, 1994 establishing the Debts Recovery Tribunals at Delhi, Bombay and Jaipur.

(iii) G.S.R. 832(E) and G.S.R. 881(E) published in Gazette of India dated the 30th November and 21st December, 1994 establishing the Debts Recovery Tribunals at Bangalore and Ahmedabad.

(iv) G.S.R. 492(E) and G.S.R. 508(E) published in Gazette of India dated the 25th October, and the 4th November, 1996 notifying the change in the location of the Debts Recovery Tribunal, Ahmedabad and establishing the Debts Recovery Tribunal at Chennai.

(v) G.S.R. 7(E) published in Gazette of India dated the 7th January, 1997 establishing the Debts Recovery Tribunals at Guwahati.

(vi) G.S.R. 325(E) published in Gazette of India dated the 17th June, 1997 notifying the change in the location of Debts Recovery Tribunal, Patna.

(vii) G.S.R. 687(E) and G.S.R. 688(E) published in Gazette of India dated the 5th December, 1997 notifying the change in the area of jurisdiction of Debts Recovery Tribunals, Chennai, together with a corrigendum thereto published in Notification No. G.S.R. 237(E) dated the 4th May, 1998.

[Placed in Library See No. LT 736/98]

- (6) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 94 of the Finance Act, 1994.

(i) The Service Tax (Sixth Amendment) Rules, 1997 published in Notification No. G.S.R. 417(E) in Gazette of India dated the 25th July, 1997.

(ii) G.S.R. 418(E) and G.S.R. 419(E) published in Gazette of India dated the 25th July, 1997 regarding exemption to taxable service provided by an outdoor caterer.

(iii) G.S.R. 420(E) and G.S.R. 421(E) published in Gazette of India dated the 25th July, 1997 regarding exemption to taxable service

provided by an outdoor caterer from the service tax leviable on the gross amount charged from the client for services.

- (iv) G.S.R. 422(E) published in Gazette of India dated the 25th July, 1997 regarding exemption to taxable service provided by Pandal or Shamiana contractor on amount equivalent to the amount of seventy per cent of the gross amount charged from the client.
- (v) G.S.R. 423(E) published in Gazette of India dated the 25th July, 1997 regarding exemption from the levy of service tax on taxable service provided by a Pandal or Shamiana contractor if in a rural area and such contractor is operating within such area.
- (vi) The service Tax (Seventh Amendment) Rules, 1997 published in Notification No. G.S.R. 480(E) in Gazette of India dated the 22nd August, 1997.
- (vii) G.S.R. 481(E) published in Gazette of India dated the 22nd August, 1997 regarding exemption to taxable service provided by a tour operator from the service tax at the rate of forty per cent *ad valorem* on the gross amount charged from any person where the tour operator provides a package tour.
- (viii) G.S.R. 482(E) published in Gazette of India dated the 22nd August, 1997 seek to exempt service tax leviable on an amount equivalent to ninety per cent of the gross amount charged from the client by a tour operator.
- (ix) The Service Tax (Eighth Amendment) Rules, 1997 published in Notification No. G.S.R. 638(E) in Gazette of India dated the 5th November, 1997.
- (x) G.S.R. 639(E) published in Gazette of India dated the 5th November, 1997 seek to provide that the service tax in respect of transport of goods by road shall be payable by the various Bodies and organisations etc.

[Placed in Library, See No. LT 737/98]

- (7) A copy each of the following Notifications (Hindi and English versions) issued under section 88 of the Finance Act, 1997:-
 - (i) G.S.R. 416(E) published in Gazette of India dated the 25th July, 1997 appointing the 1st day of August, 1997 as the date on which

the Service Tax on taxable services shall come into force.

- (ii) G.S.R. 479(E) published in Gazette of India dated the 22nd August, 1997 appointing the 1st day of September, 1997 as the date on which the Service Tax on taxable services shall come into force.
- (iii) G.S.R. 637(E) published in Gazette of India dated the 5th November, 1997 appointing the 16th day of November, 1997 as the date on which the Service Tax on taxable services specified therein shall come into force.

[Placed in Library, See No. LT 738/98]

- (8) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980:-
 - (i) The United Bank of India (Officers') Service (Amendment) Regulations, 1997 published in Notification No. 3/97 in Gazette of India dated the 7th February, 1998.
 - (ii) The Canara Bank Officer Employees (Discipline and Appeal (Amendment) Regulations, 1998 published in Notification No. IRS/1/9926/NAK in Gazette of India dated the 11th April, 1998.
 - (iii) The Indian Bank (Officers') Service (Amendment) Regulations, 1997 published in Notification No. SRC 17/97 in Gazette of India dated the 31st May, 1997.
 - (iv) The Syndicate Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 1997 published in Notification No. 2077/S/0089/PD:IRD(O) in Gazette of India dated the 13th September, 1997.
 - (v) The Vijaya Bank (Officers') Service (Amendment) Regulations, 1997 published in Notification No. 123/98 in Gazette of India dated the 31st January, 1998.
 - (vi) The UCO Bank (Officers') Service (Amendment) Regulations, 1996 published in Notification No. OSR 1/97 in Gazette of India dated the 18th October, 1997.
 - (vii) The UCO Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 1996 published in Notification No.

- ODAR 1/97 in Gazette of India dated the 18th October, 1997.
- (viii) The Punjab and Sind Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 1997 published in Notification No. PSB/Staff/DAC/1997 in Gazette of India dated the 9th June, 1997.
- (ix) The Bank of Baroda (Officers) Service (Amendment) Regulations, 1997 published in Notification No. H.O. OSR&IA/A/5/14/504 in Gazette of India dated the 10th May, 1997.
- (x) The United Bank of India (Officers') Service (Amendment) Regulations, 1997 published in Notification No. 1/97 in Gazette of India dated the 10th May, 1997.
- (xi) The Bank of India (Officers) Service (Amendment) Regulations, 1996 published in Notification No.P.ID.SAH/0518 in Gazette of India dated the 23rd August, 1997.
- (xii) The Corporation Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 1996 published in Notification No. PAD:IR:COBOE(DA)R:615:97 in Gazette of India dated the 23rd August, 1997.
- (xiii) The Bank of India (Officers) Service (Amendment) Regulations, 1997 published in Notification No. P/IR/SAH/1267 in Gazette of India dated the 17th May, 1997.
- (xiv) Corrigendum published in Gazette of India dated the 17th May, 1997 to Dena Bank Officer Employees (Discipline and Appeal) (Amendment) Regulations, 1996.
- (xv) The Bank of Maharashtra (Officers') Service (Amendment) Regulations, 1996 published in Notification No. AX-1/ST/OSR/1996 in Gazette of India dated the 13th September, 1997.
- (xvi) The Andhra Bank (Officers') Service (Amendment) Regulations, 1996 published in Notification No. 663/3/AI/1079 in Gazette of India dated the 10th March, 1997.
- (xvii) The Syndicate Bank Officers Employees' (Discipline and Appeal) (Amendment) Regulations, 1996 published in Notification No. 2720/S/0089/PD:IRD(O) in Gazette of India dated the 11th January, 1997.
- (xviii) The Syndicate Bank (Officers') Service (Amendment) Regulations 1996 published in Notification No. 2719/S/0089/PD:IRD(O) in Gazette of India dated the 11th January, 1997.
- (xix) Notification No. 400/S/0089/PD:IRD(O) published in Gazette of India dated the 19th April, 1997 containing corrigendum to the Syndicate Bank Officer Employees (Discipline and Appeal) (Amendment) Regulation, 1996.
- (xx) The Central Bank of India (Officers') Service (Amendment) Regulations 1996 published in Notification No. CO/PRS/IRP/96-97/1098 in Gazette of India dated the 26th October, 1996 together with a corrigendum there to published in Notification No. CO:PRS:IRP:96:97/2388 dated the 13th September, 1997.
- (xxi) Notification No. 3922 published in Gazette of India dated the 14th June, 1997 containing corrigendum in English version to the Notification No. 3920 dated the 26th October, 1996.
- [Placed in Library, See No. LT 739/98]
- (9) A copy each of the following Notifications (Hindi and English versions) under sub-section (7) of section 9A of the Customs Tariff Act, 1975:-
- (i) G.S.R. 607(E) published in Gazette of India dated the 21st October, 1997 seeking to impose anti-dumping duties on specified types of graphite electrodes when originating in or exported from China PR, USA, Germany, France, Italy, Austria, Spain and Belgium and imported into India.
- (ii) G.S.R. 619(E) published in Gazette of India dated the 24th October, 1997 together with an explanatory memorandum seeking to impose anti dumping duty on acrylic fibre originating in or exported from USA, Thailand or Korea RP and imported into India.
- [Placed in Library, See No. LT 740/98]
- (10) A copy of the Consolidated Report (Hindi and English versions) on the working of Public Sector Banks for the year ended the 31st March, 1996.
- [Placed in Library, See No. LT 741/98]
- (11) Statement (Hindi and English versions) indicating the results of market loan issued during 1997-98.
- [Placed in Library, See No. LT 742/98]

- (12) (i) A copy of the Annual Report (Hindi and English versions) of the Industrial Development Bank of India, Bombay, for the year 1996-97, alongwith Audited Accounts under sub-section (5) of section 18 and sub-section(5) of section 23 of the Industrial Development Bank of India Act, 1964.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Industrial Development Bank of India, Bombay, for the year 1996-97.
- (13) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (12) above.

[Placed in Library, See No. LT 743/98]

Annual Report of Neyveli Lignite Corporation Ltd. Chennai, Review of its working statement showing the reasons for delay and Memorandum of understanding

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY): 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 619A of the Companies Act, 1956:-
- (i) Review by the Government of the working of the Neyveli Lignite Corporation Limited, Chennai, for the year 1996-97.
- (ii) Annual Report of the Neyveli Lignite Corporation Limited, Chennai, for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library, See No. LT 744/98]

- (3) A copy of the Memorandum of Understanding (Hindi and English versions) between the Neyveli Lignite Corporation Limited and the Ministry of Coal for the year 1998-99.

[Placed in Library, See No. LT 745/98]

Annual Reports of Engineering Projects (India) Ltd., National Industrial Development Corporation Ltd., etc. Review of their working and Statement showing reasons for delay etc. etc.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : 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 619A of the Companies Act, 1956:-
- (a) (i) Statement regarding Review by the Government of the working of the Engineering Projects (India) Limited, Ranchi for the year 1996-97.
- (ii) Annual Report of the Engineering Projects (India) Limited, Ranchi, for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library, See No. LT 746/98]

- (b) (i) Statement regarding Review by the Government of the working of the National Industrial Development Corporation Limited, New Delhi, for the year 1996-97.
- (ii) Annual Report of the National Industrial Development Corporation Limited, New Delhi, for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library, See No. LT 747/98]

- (c) (i) Statement regarding Review by the Government of the working of the Bharat Yantra Nigam Limited and its subsidiaries, Allahabad, for the year 1996-97.
- (ii) Annual Report of the Bharat Yantra Nigam Limited and its subsidiaries, Allahabad, for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

- (2) Three Statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library, See No. LT 748/98]

- (3) A copy of the Memorandum of Understanding (Hindi and English versions) between the Bharat Bhari Udyog Nigam Limited and the Department of Heavy Industry, for the year 1998-99.

[Placed in Library, See No. LT 749/98]

- (4) A copy of the Memorandum of Understanding (Hindi and English versions) between HMT Limited and the Department of Heavy Industry, Ministry of Industry, for the year 1998-99.

[Placed in Library, See No. LT 750/98]

Memorandum of Understanding between Madras Refineries Ltd. and Ministry of Petroleum and Natural Gas for 1998-99.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR) : Mr. Speaker Sir, I beg to lay on the table a copy (Hindi and English versions) of the Memorandum of understanding between Madras Refineries Ltd. and Ministry of Petroleum and Natural Gas for 1998-99.

[Placed in Library, See No. LT 751/98]

[Translation]

SHRI LALU PRASAD (Madhepura) : A discussion was held on Gujarat yesterday. The hon. Minister of Home Affairs had visited that area. He should have made a statement in this House, but he is leaving the House. He should specify the action taken by him and also the relief provided to Gujarat ...*(Interruptions)*

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : Mr. Speaker, the manner in which Laluji is talking about Advaniji, is not proper ...*(Interruptions)*. He should extend support ...*(Interruptions)*. I have has a talk with the Hon. Speaker. As the Hon. Speaker had directed to give a statement at 1 p.m. the hon. Minister would give a statement accordingly ...*(Interruptions)*

SHRI ASHOK PRADHAN (Khurja) : Please tell them that it is not Bihar assembly ...*(Interruptions)*. How he is speaking like that.

[English]

MR. SPEAKER : Order Please.

(Interruptions)

[Translation]

SHRI MADAN LAL KHURANA : In which language he is speaking ...*(Interruptions)*

[English]

SHRI HARIN PATHAK (Ahmedabad) : Sir, you have to expunge it from the record ...*(Interruptions)*

MR. SPEAKER : I will expunge it, please take your seat.

(Interruptions)

[Translation]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : I would tell the hon. Members that besides Shri

Lalu Prasad, other Members including me also come from Bihar. Therefore, please do not defame Bihar. One should not form an opinion about a particular State on the basis of the conduct of an individual.

[English]

MR. SPEAKER : No, I will expunge it from the records.

(Interruptions)

MR. SPEAKER : Lalooji, please take your seat.

(Interruptions)

MR. SPEAKER : Shri Virendra Singhji, please take your seat.

(Interruptions)

MR. SPEAKER : The House will take up 'Zero Hour'.

(Interruptions)

MR. SPEAKER : Hon. Members, I would request you to please understand that I have received 58 notices for 'Zero Hour'. I want to accommodate all the Members. Please take your seats.

Shri Shailendra Kumar.

[Translation]

SHRI VIRENDRA SINGH (Mirzapur) : The Member of this House enjoy special privilege. The State Government ...*(Interruptions)*

SHRI NARENDRA BUDANIA (Churu) : Sir, a reply should be given to what Laluji has said.

SHRI SHAILENDRA KUMAR (Chail) : Mr. Speaker, Sir, I want to raise an important matter ...*(Interruptions)*

[English]

MR. SPEAKER : Nothing other than what Shri Shailendra Kumar is saying, would go on record.

*(Interruptions)**

[Translation]

SHRI SHAILENDRA KUMAR : Mr. Speaker, Sir, I through you, would like to raise an important issue in this Zero Hour. It is a very serious issue. 21 Castes which include backward classes and also 27 sub-castes which include Kurmi, Kumhar, Prajapati, Patel, Kakshi, Kushwaha, Shakya, Kawat etc. in Uttar Pradesh have been excluded from backward classes and included in general category. The Uttar Pradesh Government has no knowledge of it. All officers of the State Government are in a dizzy mood. It is an issue related to all Members. In 1995, The Uttar

*Not Recorded.

[Shri Shailendra Kumar]

Pradesh Government had included these castes in backward classes. The present Government wants to deprive them of the facilities available for backward classes ...*(Interruptions)*

[English]

MR. SPEAKER : There are 58 notices for 'Zero Hour'. Please take only two minutes.

(Interruptions)

[Translation]

SHRI SHAILENDRA KUMAR : They have not filed an appeal in the court so far. There is great resentment among all castes. This issue is concerned with all backward classes of the country and it deserve a discussion. It is a very serious issue. I would request you that in view of the seriousness of the issue, a discussion should be allowed. The Uttar Pradesh Government is anti-backward class. They have to file a counter appeal in the court ...*(Interruptions)*.

[English]

MR. SPEAKER : Please complete now. What is this? Shri Shailendra Singh, please conclude now.

(Interruptions)

MR. SPEAKER : Nothing will go on record.

*(Interruptions)**

MR. SPEAKER : Now, I have allowed Shri P. Shiv Shankar.

(Interruptions)

MR. SPEAKER : I will allow you all. Please take your seats.

Shri Singh, please sit down now. I have already allowed you.

(Interruptions)

MR. SPEAKER : Nothing will go on record.

*(Interruptions)**

SHRI P. SHIV SHANKER (Tenali) : Mr. Speaker Sir, I rise with anguish to make a mention ...*(Interruptions)*

MR. SPEAKER : No cross talks, please.

(Interruptions)

MR. SPEAKER : Order please.

(Interruptions)

MR. SPEAKER : Shri Shailendra Kumar, Please take your seat.

(Interruptions)

MR. SPEAKER : That is why, I allowed you. Please take your seat.

(Interruptions)

[Translation]

SHRI MULAYAM SINGH YADAV (Sambhal) : Mr. Speaker, Sir, this issue is not concerned with Shri Shailendra Kumar only. It relates to whole country ...*(Interruptions)*

DR. SHAFIQR RAHMAN BARQ (Moradabad) : Mr. Speaker, Sir, I would like that one hour discussion should be allowed on this issue. Injustice is being meted out to backward castes in Uttar Pradesh ...*(Interruptions)*

SHRI MULAYAM SINGH YADAV : Mr. Speaker, Sir, the decision of the Uttar Pradesh High Court is correct. The hon. Member has said that there is a verdict given by the court. But the truth is that the case was heard for two years in the court and there were many objections. Even then the State Government did not plead the case. In the absence of any pleading, such a big judgement was given. In this judgement, all the people belonging to backward classes and scheduled castes including Safar karamchari have been deprived of the benefits enjoyed by them. There is an attempt to deprive them gradually of the benefits. All the recommendations of the Mandal Commission are being done away with. The truth is that efforts are being made to do away with the extended two year term and the recommendations of the Commission implemented to some extent. The Uttar Pradesh Government has deliberately neglected the issue and has not pleaded the case ...*(Interruptions)*

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, Shri Mulayam Singh has been the Chief Minister of Uttar Pradesh. He knows it very well that when we used to raise any issue about U.P. during his Chief Ministership, these people prevented us from speaking here. He has also been the Defence Minister of India. My submission is that they can request for the action by the Government on the said judgment of the High Court. However, it is not correct to say that the U.P. Government lost the case and such a judgment followed because of inaction on its part. This is too much. It is a biased conclusion and such things must be avoided in the House. Let them make their submissions and these would be conveyed to Uttar Pradesh Government. I lodge my protest over their contention that Uttar Pradesh Government did not plead the case ...*(Interruptions)*

SHRI MULAYAM SINGH YADAV : Mr. Speaker, Sir, I am on a point of order. The hon. Minister has taken my name and also referred to my tenure as Chief Minister of the State. I would like to tell that the recommendations of Mandal Commission were implemented in Uttar Pradesh when I was the Chief Minister. Being the Minister of Parliamentary Affairs, he should not have levelled such allegations against me. It was during my tenure that several castes were included in the Mandal Commission and if there was any objection, it was sorted out. I reiterate that the Uttar Pradesh Government deliberately did not plead this case ...*(Interruptions)*

[English]

MR. SPEAKER : You have already raised your point. Please take your seat.

(Interruptions)

MR. SPEAKER : I have allowed Shri P. Shiv Shanker, I will allow you later. Please take your seat.

(Interruptions)

MR. SPEAKER : It is the decision of the court. Please understand.

(Interruptions)

MR. SPEAKER : Shri Shailendra Kumar, please take your seat.

(Interruptions)

MR. SPEAKER : Please understand, it is a matter pertaining to court.

(Interruptions)

MR. SPEAKER : Nothing will go on record.

*(Interruptions)**

MR. SPEAKER : It is the court decision.

(Interruptions)

12.17 hrs.

(At this stage, Shri Shailendra Kumar and some other hon. Members came and stood on the floor near the Table)

MR. SPEAKER : Shri Shailendra Kumar, this is not good. I will take action against you. Every time you are disturbing the House. I will take action against you.

(Interruptions)

MR. SPEAKER : What is this? It is the court matter. Please take your seat.

*No! Recorded.

Shri Shailendra Kumar, I will take action against you. Every time you are disturbing the House.

(Interruption)

MR. SPEAKER : Hon. Members, please go back to your seats.

(Interruptions)

MR. SPEAKER : Nothing will go on record.

*(Interruptions)**

MR. SPEAKER : It is the court matter. How can you decide here? Please understand the procedure.

(Interruptions)

MR. SPEAKER : I request Shri Mulayam Singh Yadav to ask his Members to go back to their seats.

(Interruptions)

MR. SPEAKER : Shri Shailendra Kumar, please go to your seat. This is not good. There are other hon. Members who would like to raise their matters. Please go to your seat.

(Interruptions)

MR. SPEAKER : Nothing will go on record.

*(Interruptions)**

(Interruptions)

MR. SPEAKER : The House stands adjourned to meet at 2.00 p.m.

12.20 hrs.

*The Lok Sabha adjourned till
Fourteen of the Clock.*

14.00 hrs.

*The Lok Sabha re-assembled at
Fourteen of the Clock.*

[MR. SPEAKER in the Chair]

[English]

MR. SPEAKER : Shri Yashwant Sinha.

(interruptions)

MR. SPEAKER : Shri Lalu Prasad, please understand.

(Interruptions)

*Not Recorded.

[Translation]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : MR. Speaker, Sir, I want to express my views ...*(Interruptions)* After going from here. I talked to the U.P. Chief Minister. He contacted the Advocate-General on telephone. The Advocate-General talked to me on phone ...*(Interruptions)* Kalyan Singhji said that he is in Meerut and it is our Government's view that the castes which are in reservation list should not be excluded from that list. When I told him that it is the decision of the High Court, at this he told me that they would file a special leave petition in the Supreme Court and would engage the best advocate to deal with this case ...*(Interruptions)* I have not spoken the whole thing, please listen to the full details ...*(Interruptions)* I have also received a phone call from the Advocate-General, Shri Rameshwar Goyal. He has said that this is not the final order. This is a show-cause, an interim order. He says that the Government did not plead the case but they say that our lawyer Shri Verma, who is the standing council has appeared in the Court. Thereafter, the Court gave this interim order. When the case will be taken up for final decision, the Advocate General Shri Rameshwar himself would appear in the Court. The Advocate-General told me all this ...*(Interruptions)* It is not proper to say that no one did appear before the Court ...*(Interruptions)*

SHRI MULAYAM SINGH YADAV (Sambhal) Mr. Speaker, Sir, there are three points made here. One, the Parliamentary Affairs Minister first of all levelled changes against me and said that I was the Chief Minister then. I would like to make it clear that when I was the Chief Minister, it was our Government which had implemented the Mandal Commission's recommendations and these castes, which have got order from the High Court, whether interim or final order, were selected by our Government. They were selected by the Union Government and the Commission for Backward Castes had also selected them. There is a caste known as Saitwal. The problem began with this. Commission for Backward Castes has considered for the inclusion of Saitwal caste in the Backward Castes' List. When I was the Chief Minister, the matter came up before me and I had accepted the proposal. I said that this caste be included in it and it should be accepted that Saitwal caste is also a backward caste. On this issue some one filed the writ that Saitwal's are from Rajpoot community and they do not belong to the backward caste and taking this plea other castes also came up with a demand for their inclusion in that List. You will take further steps, that is a different thing but this is not my point. You will have to take further steps and if you do not take, we shall have to do that. We shall engage the Best lawyer. We have had but up a great struggle for the implementation

of the Mandal Commission's recommendations. People have sacrificed their lives on this issue, they have also been killed and we have faced imprisonment also. There is a conspiracy to do away with Mandal Commission recommendations. Why did you not plead in the beginning, why did the Advocate-General not appear before the Court. Tell us, whether you responded to the Counter affidavit through the Government. This is a confusion. We would raise further questions if the Advocate General appeared before the Court. Please tell us whether the Counter affidavit was filed in time. Why did the Advocate General not appear himself before the Court in such an important matter? Now, he may have appeared ...*(Interruptions)* This is why I straight forward blame that the Government of the State intentionally and under a conspiracy did not plead the case properly. Had all the facts been placed before the Court, the Supreme Court would have given its verdict earlier in this the matter ...*(Interruptions)*

[English]

MR. SPEAKER : Shri Mulayam Singh Yadav, please be brief. We have to complete the Budget discussion today.

(Interruptions)

[Translation]

SHRI ASHOK PRADHAN (Khurja) : The charges being levelled on Uttar Pradesh Government are totally baseless ...*(Interruptions)* There is no doubt. Bhartiya Janata Party is equally sympathetic towards them ...*(Interruptions)*

[English]

MR. SPEAKER : Please do not disturb. Please take your seat.

(Interruptions)

MR. SPEAKER : Please take your seat. I will allow you also.

(Interruptions)

MR. SPEAKER : Shri Ashok Pradhan, please take your seat.

(Interruptions)

MR. SPEAKER : Shri Mulayam Singh Yadav, please conclude.

[Translation]

SHRI MULAYAM SINGH YADAV : My submission is that they had approached the Supreme Court before on this issue and even the High Court has given its verdict on this issue. Had they put forth the rulings given by the Supreme Court and High Court on this issue before the Court, such a verdict would not have been given. Now,

so far as interim order is concerned, it is interim. If decisions have to be taken in regard to some appointments from today itself, there are many Selection Committees and Public Service Commission where people have to submit applications. I would like to say that this is the final decision. If today any order is issued in regard to reservation in jobs for these castes, that will be applicable according to the order given today itself. Why are you taking the interim order so lightly. Therefore, I level the charge that the Uttar Pradesh Government did not put forth all the facts before the Court and there is a deep rooted conspiracy involved in it.

[English]

MR. SPEAKER : This is not a debate, Please take your seat.

(Interruptions)

MR. SPEAKER : I will allow you. Please take your seat.

(Interruptions)

SHRI KHARABELA SWAIN (Balasore) : Mr. Speaker, Sir, it not the right of only the Samajwadi Party to raise this matter. I want to speak about Orissa and I also want to raise this matter. I should also be allowed. I have also given notice. You should allow me to speak.

[Translation]

It is not proper that any body should be allowed to speak ... (Interruptions) This is not that only they would always prevail upon and we shall not be heard. There are Members from my party also and they should also be given an opportunity to speak. Such things happen through out the day. One issue will be taken up and then zero hour will be over ... (Interruptions) They say it would be according to rules but after all what is the rule. They do what they say ... (Interruptions)

SHRI RAM VILAS PASWAN (Hajipur) : Mr. Speaker, Sir, it is very serious matter. I do not want to make it an issue concerning Uttar Pradesh or any other State. The issues concerning Scheduled Castes, Backward Classes or Mandal Commission are being dealt with by the Ministry of Home Affairs and the Ministry of Welfare also deals with them. I believe that Home Minister will take it seriously because here this judgement has come and Scheduled Castes mean [English] those castes which are in the Schedule of the Constitutions.

[Translations]

Names are included in the schedule to the Constitution, similarly there is mention of backward classes. After Mandal Commission's Report, a list of backward classes was prepared and their names were published by State

Governments and the Union Government also. Today, the issue is not related with the incident of Uttar Pradesh. The real issue is that when you develop the tendency of excluding a particular caste, then, it goes on and it would not have any end. Therefore, Parliament is supreme authority. This issue requires due consideration. The names of 21 castes are mentioned in it and you should go through them. Mallah are included in scheduled castes in West Bengal and in Bihar they are among backward classes and in Delhi they are among scheduled castes and in Uttar Pradesh they are one of the backward classes. It includes-Kurmi, Kumhar, Prajapati, Patel, Kachhi, Kushwaha, Shakya, Kewat, Mallah, Manihar, Lakhera, Kacher, Darji, Idrisi, Teli, Tamoli, Chikwa, Kuraishi, Chak, Kassav, Gaddi, Ghosi, Bhurji, Bharbhujia, Bhunj, Katu, Arkha, Arkwanshi, Patanwar, Kurmi Sendhwar, Churasia Bari, Chhipi, Chhipa, Harijan, Nai, Salmani, Sawita, Srivaas, Halwai, Modanwal, Murav, Maurya, Murai, Naddaf, Dhunia, Mansuri, Kander, Rangrej, Rangwa, Lonia, Nonia, Gole Thakur, Lonia Chauhan, Sonar, Sweeper are not mentioned in the list of scheduled castes and if Halalkor etc. castes are not included in backward classes then which castes are backward? who are included in backward classes? ... (Interruptions)

SHRI RAJENDRA AGNIHOTRI (Jhansi) : They are making Mulayam Singh Yadav backward. For them you are also backward. Backwards are already backward ... (Interruptions)

SHRI RAM VILAS PASWAN : Do not connect every thing with Mulayam Singh Yadav ... (Interruptions)

SHRI AJIT JOGI (Raigarh) : It is a serious issue and listen it seriously. It is not a matter of profit and loss. It is a serious national issue ... (Interruptions)

SHRI RAM VILAS PASWAN : It is an issue not relating to any party, any Government and even Uttar Pradesh, rather this decision is going to affect the constitutional set up of the whole country. I believe that for quite some time this discussion is going on that if this issue is further taken up, it would also be taken up in case of scheduled castes. Then, apply economic criteria on them and do this, do that. So, I said that this issue is not confined to only this point that Parliamentary Minister should seek the report from Uttar Pradesh and place it before the House. This issue pertains to the whole country, it concerns constitutional set up. So, I urge upon the Home Minister to take it seriously. I would not comment on the judgement of the High Court, but if a judgement comes then the remedy against it is not limited to Supreme Court only, the Parliament House can also provide remedy against such judgement and if there is need to amend the Constitution and place the list of scheduled castes and backward classes under Ninth schedule, then you should put them in the Ninth Schedule

[Shri Ram Vilas Paswan]

so that nobody can quote this change in future. You should make such a provision. I believe that the whole House is unanimous on this issue ...*(Interruptions)*

KUMARI MAMATA BANERJEE (Calcutta South) : Mr. Speaker, Sir, It is a very serious matter. It is not concerned only with Uttar Pradesh, it concerns the whole country. Mandal Commission had recommended 177 castes and after that Commission was set up in each state, but ...*(Interruptions)*

[English]

MR. SPEAKER : What is this? you should have some patience.

[Translation]

KUMARI MAMATA BANERJEE : But these Commissions have not completed their assignment so far. As we know, there are many such castes in our state also but only 69 out of 177 have been included and the remaining castes have not been included till date. It means persons belonging to scheduled castes, scheduled tribes and other backward classes do not get job opportunity they do not get chance of getting education and also do not get advantages offered by the Government.

But if it is the policy of the Government to provide assistance to the states, there should be a uniform policy of the Government in this regard and according to that policy the Parliament should act. We want to draw the attention of Ministry of Home Affairs and also the Ministry of Parliamentary Affairs that while maintaining solidarity of all castes in the country, lest it should happen that in a particular state we are divided in the name of castes. It should not be left to a State Government but the Central Government should evolve a uniform policy in this regard.

[English]

MR. SPEAKER : I will allow you.

[Translation]

SHRI ASHOK PRADHAN : Hon. Speaker, Sir, through you I want to tell this House that it is quite right. But what I want to say is that the manner in which Sh. Mulayam Singh Yadav is making his point is not at all appreciable because he has quoted the Uttar Pradesh Government ...*(Interruptions)*

[English]

MR. SPEAKER : Shri Shailendra Kumar, please take your seat. This is not good. Please take your seat. What is this? Please take your seat. You must know the procedure first.

(Interruptions)

[Translation]

SHRI ASHOK PRADHAN : It should be viewed seriously ...*(Interruptions)*

SHRI SHAILENDRA KUMAR : Now, I would speak on it ...*(Interruptions)*

SHRI ASHOK PRADHAN : The Government of Uttar Pradesh is taking this issue seriously and as far as this issue is concerned, we are also taking up the demands of SCs, STs and OBCs as a whole with our Home Minister that he should take this issue seriously and formulate a uniform policy and it should be taken up in the right perspective ...*(Interruptions)*

MR. SPEAKER : It is not proper.

[English]

Sh. Mohan Singh, I have allowed him. Please let him complete.

(Interruptions)

[Translation]

SHRI ASHOK PRADHAN : Rather it should be taken that way and it is not proper to question the integrity of the State Government ...*(Interruptions)*

SHRI LALU PRASAD : Please listen to me, I am just assisting you. Sir, the reservation is not the alms. Our constitution framers after a lot of deliberation and considerations framed this constitution and backward class citizens of India, Scheduled Castes and Scheduled Tribes have been included in that very constitution. The Mandal Commission constituted in accordance with the provisions of our constitution was not a new idea. All the hon members and enlightened people of the country are aware of this fact. They need not be reminded of it. A number of people sacrificed their lives on this issue, the society was divided and the poor and backward people were adversely affected and harassed on this account. Even today we are victim of it. The Supreme Court has given a verdict that every State Government and the Centre too should constitute a permanent commission for these castes in order to identify castes of the States and a list of common castes in the States and Centre should be prepared and creamy layer among the IAS, IPS, Central services and other services should be decided, though it is a separate issue. This has been settled for ever, leaders like Mulayam Singh Yadav in UP and Kapoori Thakur, a popular leader in Bihar launched campaign to implement Mandal Commission's recommendations and all political parties accepted these recommendations, though in a different way. Though a few castes had apprehensions that they are excluded from that list. Hence the Supreme Court gave a verdict that each State should constitute a

permanent commission for this purpose. This Commission would decide about inclusion and exclusion of the castes at Central level and then it would be mandatory for each State to comply with their decision as to which castes have been excluded. I have been told that as regards UP, the Chief Minister, State Government and the learned advocate should have produced a counter-affidavit in the Allahabad High Court. The State Government, should have apprised the court of Supreme Courts' rulings and other facts in this regard. This is a very sensitive issue. The State Government and Attorney General should have viewed this matter in a serious manner. This matter is not confined to UP only. The castes which have been excluded from the list in UP would also be excluded from Central List in the future. They would not get opportunity. Hence the State Government, the State Law Department and the Cell dealing with these castes did not succeed perhaps knowingly and intentionally to the extent they should have succeeded to safeguard the interest of backward Classes. That Government failed on that account. That Government has always been anti backward classes and the poor. Such Government should not be allowed to continue ...*(Interruptions)*

[English]

MR. SPEAKER : I will allow you.

(Interruptions)

MR. SPEAKER : Please understand that the Leader of the Opposition is on his legs. Please take your seat.

(Interruptions)

[Translation]

SHRI SHAILENDRA KUMAR : Mr. Speaker, Sir, I may also be allowed to speak.

[English]

MR. SPEAKER : Shri Shailendra Kumar, you are always disturbing the House. This is too much.

(Interruptions)

SHRI SHARAD PAWAR (Baramati) : Mr. Speaker, Sir, the issue which has been raised by Shri Ram Vilas Paswan is a very important and very serious issue. A particular decision is given by a particular High Court. I do not want to go in details about this whether it was properly argued or not or what was exactly the approach of the State Government? But now the decision is very much there. What we are observing is that these types of different decisions are given by different High Courts and they have taken different approach towards different backward communities. I know there are a number of decisions. For instance, there is a particular community in Maharashtra

which is backward. The same community is getting advantage of being the Scheduled Caste community in a neighbouring State, the same community is getting advantage of being the Scheduled Tribe community in some other States. That is why, the time has come when we should take an overall approach towards this. I think, this is high time we took the assistance of Article 340. It says:

"The President may by order appoint a Commission consisting of such persons as he thinks fit to investigate the conditions of socially and educationally backward classes within the territory of India and the difficulties under which they labour and to make recommendations as to the steps that should be taken by the Union or any State to remove such difficulties and to improve their condition and as to the grants that should be made for the purpose by the Union or any State and the conditions subject to which such grants should be made, and the order appointing such Commission shall define the procedure to be followed by the Commission."

I think, this is high time, the Government of India took this decision as early as possible, appoint a Committee to go in details about all these things and restore whatever facilities which they were getting ...*(Interruptions)*

SHRI RAM VILAS PASWAN : The Commission is already there.

[Translation]

SHRI MOHAN SINGH (Deoria) : It has been working there since 1977.

SHRI SHARAD PAWAR : These are two points. The facilities already given should be restored. Whatever has been given by the commission should be restored and instead of different approach being adopted by each state, there should be a common approach towards it. The High Court has also given such verdict.

SHRI RAM VILAS PASWAN : A Commission is already there for inclusion and exclusion of castes. Therefore, a provision should be made to see that the castes already appearing in the list should not be excluded arbitrarily under a conspiracy.

[English]

SHRI SHARAD PAWAR : Mr. Speaker, Sir, my suggestion is, all these decisions and all these castes should be included in the Ninth Schedule of the Constitution. Unless and until we include it in the Ninth Schedule, I do not think we will be able to give protection to all these communities. Therefore, this decision be taken by the Welfare Ministry as early as possible so that it is possible to resolve the problem being faced by any community.

[Translation]

SHRI HARI KEWAL PRASAD (Salempur) : Hon. Speaker, Sir, the points made by the hon. Members relate to the Mandal Commission and the present case under discussion. But the question relates to the exclusion of these castes from the list in UP. Some of my friends from UP have told me telephonically that the judgement given by the Lucknow bench of Allahabad court, has created a feeling in the minds of the people that this decision is an attempt to divide the backward classes. There are 54 castes in that list which Shri Ram Vilas Paswan has just read out. These are the castes which have been treated as Yadavs. Otherwise, the Yadavs are separate from rest of the backward castes. I would like to urge upon you through this House that the 'Saithwar' community has appealed in the 'Mahasammelan' that their name should not be included in the backward caste as it is an insult to them and therefore, it should be included in the forward caste list. They have also approached the Commission of Backward Castes. Some of the people from this section objected to that and later the Commission for Backward Castes recommended that the Saithwar castes should be included in the backward castes. In this context, people moved the High Court and filed a petition. It is unfortunate that at that time Shri Mulayam Singh was the Chief Minister ... (Interruptions). I do not want to go into that ... (Interruptions). The question is that when our party came to power, whether we produced the affidavit or not. My friend, Shri Khuranaji who is a Minister should have at least asked about that as it was his duty. So far as my information goes, they have not given the affidavit. The people have an apprehension that Shri Mulayam Singh hatched a conspiracy, got a decision through which excluded the backward caste from the list. That is what they say. I am happy that Shri Mulayam Singh, Shri Lalu Prasad and Shri Paswan have taken up this issue for getting those people their due rights. I am pained because those backward castes had got this right after a long struggle but they are being deprived of it under a conspiracy. This is most unfortunate. I would like to appeal to Shri Advani ji that he should give directions to the Uttar Pradesh Government in this regard because as a result of this decision there is a ban not only on appointments but also on promotions ... (Interruptions). Therefore, I would urge Shri Advani ji to take some remedial steps to safeguard the interest of these hapless people.

[English]

MR. SPEAKER : Please conclude now.

(Interruptions)

SPEAKER : Please understand that I cannot allow

(Interruptions)

MR. SPEAKER : Shri Shailendra Kumar, please take your seat. Mayawatiji, please conclude now.

[Translation]

KUMARI MAYAWATI (Akbarpur) : Mr. Speaker, Sir, I regret to say that in Uttar Pradesh because of the negligence of the BJP Government, 21 castes which had been included in the backward castes have been excluded. I would like to inform the House that these 21 castes had been included in the backward castes during my tenure as Chief Minister and this was done keeping in view the recommendations of Commission for the Backward Castes. I am saying that the Government is negligent because this matter has been referred to the Court. The matter has been taken to the Court by the BJP people and the BJP Government of the State is negligent towards it ... (Interruptions)

SHRI RAJENDRA AGNIHOTRI : This is not correct ... (Interruptions)

KUMARI MAYAWATI : I have a proof that a conspiracy was being hatched for sometime to exclude these backward caste from the list of backward castes. 15-16 days back, the Chief Minister of Uttar Pradesh stopped the reservation for SHOs. During my Government we had appointed 20 per cent SHOs belonging to SC/STs, 25 per cent belonging to backward castes and 8 per cent belonging to Muslim community. But the BJP Government has stopped this reservation 15 days back. There is a conspiracy to exclude the backward castes from the backward caste list. The Government could have filed its reply but it did not do that so that these backward castes are deprived of the benefits and ... (Interruptions). Listen to the facts ... (Interruptions)

[English]

MR. SPEAKER : Madam please complete.

[Translation]

KUMARI MAYAWATI : Mr. Speaker, Sir, I feel ... (Interruptions) when the BSP Government was in power in Uttar Pradesh, we had reserved 20 per cent posts of SHOs for SCs/STs, 25 per cent for backward castes, and 8 per cent for minorities but during the last 15-16 days, the BJP Government of Uttar Pradesh has done away with this reservation. 21 castes which were included in the backward caste list during my tenure have also been excluded under a deliberate conspiracy. I feel that according to Article 340 of the Constitution ... (Interruptions) the Mandal Commission Report and before Mandal Commission ... (Interruptions).

[English]

MR. SPEAKER : Please understand that I am calling only the leaders.

(Interruptions)

[Translation]

KUMARI MAYAWATI : I would like to submit that the Central Government should take this issue seriously as it is the responsibility of the Centre. They should rectify the mistake ...*(Interruptions)*

[English]

MR. SPEAKER : Madam, please take your seat.

[Translation]

KUMARI MAYAWATI : If the Central Government does not take it seriously then we will have to do something ...*(Interruptions)*. The BJP wants to abolish the reservation which these castes were enjoying earlier. This is a deliberate conspiracy by the BJP to abolish reservation for the backward castes ...*(Interruptions)*. Scheduled Castes and Scheduled ...*(Interruptions)*

[English]

MR. SPEAKER : Nothing will go on record except Shri Vaiko's speech.

*(Interruptions)**

MR SPEAKER : Please take your seat.

SHRI VAIKO (Sivakasi) : Mr. Speaker Sir, this is not an issue of party politics. The whole country is concerned about this issue ...*(Interruptions)*

MR. SPEAKER : Hon. Members, please take your seats.

SHRI VAIKO : Thank you very much for calling me. I beg to state that I belong to a State which enjoys the status of pioneer in the sphere of social justice.

MR. SPEAKER : Nothing will go on record except Shri Vaiko's speech.

*(Interruptions)**

SHRI VAIKO : The first amendment to the Constitution at the behest of Pandit Jawaharlal Nehru guaranteed the right of social justice to the backward class people.

Sir, I share the concern expressed by Shri Mulayam Singh Yadav, Shri Ram Vilas Paswan and Shri Sharad Pawar. If the castes and communities which have been enjoying the fruits of social justice are deprived of their basic privileges, that is a danger signal. I do not want to go into the merits of a confrontation with the Judiciary. But we should not fail to understand that the High Courts and the Supreme Court very often come in the way of awarding social justice.

*Not Recorded.

This Government, led by Atal Bihari Vajpayee has committed in its National Agenda for Governance: 'The interests of the Scheduled Castes, Scheduled Tribes and Backward Classes will be adequately safeguarded by appropriate legal, executive and societal efforts and by large scale education and empowerment. We will provide protection to existing percentages of reservation in educational institutions at the State level.'

I agree with Shri Sharad Pawar that it should be restored to those castes and communities. But at the same time, some hon. Members have expressed the view that there should be a uniform policy. A state which has been enjoying the fruits should not be deprived. I agree with that but the State should be at a liberty to fix the quota of reservation. It may differ from one State to another. Therefore, it should not be misconstrued that a uniform policy should be there.

MR. SPEAKER : Shri Chacko, this is not a discussion. What is your submission?

(Interruptions)

MR. SPEAKER : Sorry, it is Shri Vaiko and not Chacko. Shri Chacko sits on one side while Shri Vaiko sits on the other!

(Interruptions)

SHRI P.C. CHACKO (Idukki) : I hope, I will also get a chance because of this!

SHRI VAIKO : As the Leader of the Opposition has stated, if it is provided in the Ninth Schedule, it will give enough protection. ...*(Interruptions)* A Bill was passed in the Legislative Assembly of Tamil Nadu and there is an enactment in the Constitution. There is a Constitution Amendment made by this Parliament. Even though it was included in the Ninth Schedule, the Supreme Court did not take it into cognizance. Therefore, it is high time that the Government of India took proper measures bringing suitable amendments to the Constitution to give protection to the existing percentages and at the same time put a full stop to the interference by the Judiciary.

SHRI SATYA PAL JAIN (Chandigarh) : Sir, I may please be permitted to clarify the position. There is no judgement of the High Court.

MR. SPEAKER : I have allowed Shri Basu Deb Acharia to speak.

(Interruptions)

MR. SPEAKER : If everybody wants to speak, it will be very difficult for me to run this House.

(Interruptions)

SHRI SATYA PAL JAIN : Sir, I will not take more than one minute ...*(Interruptions)*

MR. SPEAKER : The Leaders are discussing the general situation only.

[Translation]

SHRI BASU DEB ACHARIA (Bankura) : Mr. Speaker, Sir, the question which has been raised in this House today is that Allahabad High Court might have passed an interim judgement, this may not be final judgement. But even this interim judgement also.

SHRI SATYA PAL JAIN : This is not the judgement.

SHRI BASU DEB ACHARIA : Well, it is not a judgment. It is an order only.

[English]

SHRI SATYA PAL JAIN : There is no interim judgment. Kindly show the interim order. If there is an interim order, please read it out. ...*(Interruptions)* They are unnecessarily wasting the time of the House.

[Translation]

SHRI BASU DEB ACHARIA : The interim order that has been passed ...*(Interruptions)*

[English]

SHRI SATYA PAL JAIN : Where is the order? Please read it out ...*(Interruptions)*

[Translation]

SHRI BASU DEB ACHARIA : The castes which had been given the benefit of reservation are being deprived of the same ...*(Interruptions)*

SHRI LALU PRASAD : The press would not publish it without any ground ...*(Interruptions)*

[English]

MR. SPEAKER : Please take your seats.

[Translation]

SHRI BASU DEB ACHARIA : Mr. Speaker, Sir, what are the factors which led to the passage of the interim order? ...*(Interruptions)*

[English]

MR. SPEAKER : Please take your seat.

[Translation]

SHRI BASU DEB ACHARIA : Had the Uttar Pradesh Government been serious, the High Court would not have passed such an interim order ...*(Interruptions)*

SHRI RAJENDRA AGNIHOTRI : This is not at all an order ...*(Interruptions)*. This case was filed during the rule of Shri Mulayam Singh. The Chief Minister of Uttar Pradesh has stated that no backward caste would be deprived of this facility ...*(Interruptions)*

SHRI BASU DEB ACHARIA : We know that not a single time but on number of occasions, discussions have taken place on the issue of Mandal and Kamandal in the Lok Sabha. We all are of the opinion that there cannot be uniformity on this question in each of the States ...*(Interruptions)*

SHRI RAJENDRA AGNIHOTRI : What is this, you go through it.

SHRI BASU DEB ACHARIA : You are against reservation.

SHRI RAJENDRA AGNIHOTRI : It is not we but you are against reservation ...*(Interruptions)*

[English]

MR. SPEAKER : I have allowed only Shri Basu Deb Acharia. Shri Satya Pal Jain please take your seat.

[Translations]

SHRI BASU DEB ACHARIA : The Government of Uttar Pradesh is anti-reservation. This Government is against social justice. That is why such an order was passed by the High Court ...*(Interruptions)*. There are some difficulties and we on our part have also raised questions as to how this could be carried out in the States. For instance, the tribals of Chhota Nagpur and the migrants working in tea gardens of Assam who settled down there 100 years ago have not yet been given recognition as tribals. There is a demand that a comprehensive legislation should be brought forward in the House so that no such difficulty is faced in the future. We can take a decision in this regard. This is my suggestion.

[English]

MR. SPEAKER : The hon. Minister is on his legs. Hon. Members, please take your seats.

[Translation]

SHRI SURENDER SINGH (Bhiwani) : Mr. Speaker, Sir, the question which is under discussion in this House ...*(Interruptions)*

THE MINISTER OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : Mr. Speaker, Sir, one of the points raised is that no one from our side pursued the case ...*(Interruptions)*. Mr. Speaker, Sir, the very first sentence says that Shri K.N. Gupta, R.P. Nigam, Shri S.K. Kalra for

the petitioner and Shri P.C. Verma from Government side appeared in the court and they were heard. In the operative part of the order, a show cause notice was served as to why these castes should not be excluded from the list and the Government should come out with the reply, then only the case would proceed further.

[English]

Is this an interim order or a show cause notice?
...(Interruptions)

MR. SPEAKER : Hon. Members, please understand that the Finance Minister's reply is to be taken up. Discussion under Rule 193 on Maruti Udyog Ltd. is also there. Private Members' Business is to be transacted. I am not allowing any further discussion on this issue.
...(Interruptions)

MR. SPEAKER : Please understand. The Finance Minister will start his reply now

(Interruptions)

MR. SPEAKER : The Finance Minister is waiting for the last one hour.

(Interruptions)

[Translation]

SHRI SURENDER SINGH : Shiv Shankar ji, please allow me to speak for one minute only.

[English]

SHRI P. SHIV SHANKAR : I have a different issue
...(Interruptions)

MR. SPEAKER : Okay, Shri Shiv Shanker.

(Interruptions)

SHRI SATYA PAL JAIN : Sir, are we on the same issue? ...(Interruptions). Sir, please permit me to make a mention for a minute ...(Interruptions)

MR. SPEAKER : No. I am not allowing anybody.

(Interruptions)

SHRI SATYA PAL JAIN : Sir, what are we discussing now? ...(Interruptions)

MR. SPEAKER : I am not allowing anybody now. The Finance Minister's reply is more important. Please take your seat.

(Interruptions)

MR. SPEAKER : Please take your seat.

(Interruptions)

MR. SPEAKER : Nothing goes on record except what Shri Shiv Shankar says.

(Interruptions)*

MR. SPEAKER : Please take your seats. It is not done like this.

(Interruptions)

MR. SPEAKER : I am not allowing you, please take your seat. Shri Shiv Shanker.

SHRI P. SHIV SHANKER : Mr. Speaker, Sir, I rise with anguish to make a mention about the autocratic, partial and discriminatory manner in which Doordarshan has been functioning. This reflects on the autonomy of Doordarshan as also of the undemocratic manner in which it has been functioning.

[Translations]

SHRI RAM VILAS PASWAN : This question does not relate to Uttar Pradesh only ...(Interruptions). We have raised this issue earlier also. You should not play the same old card again and again to get united.

[English]

The Home Minister should clarify this ...(Interruptions)

MR. SPEAKER : Would you like to respond to this, Mr. Minister?

[Translation]

THE MINISTER OF HOME AFFAIRS (SHRI L.K. ADVANI) : Mr. Speaker, Sir, the question under discussion relates to the judgement of the Allahabad High Court under which some of the castes, which were earlier in the list of OBCs have been excluded from that list. The concerns expressed by the Members were well understood. That is why the hon. Speaker allowed a discussion on this issue and it was a prolonged discussion. In response to the observations made by Shri Paswan or Sharad ji, I would State that even if some castes are excluded from OBCs by court order, the Government would make all out efforts to rectify it. As regards the suggestions which to some extent also found mention in Shri Paswan's observation, I think that so far nobody has taken this stand that there should be uniformity in OBC list for the whole country.

There should be uniformity in the Scheduled Castes and Scheduled Tribes list. It should be uniform throughout the country. Some MPs had come to me today morning. They told me that there was a tribe in Assam which used to be treated as OBC. They sought for the status of Scheduled Tribe. They were about to be given the status of Scheduled Tribe. In this process, they were excluded

*Not Recorded.

[Shri L.K. Advani]

from the OBC list but were also not included in the Scheduled Tribes. This was an unfortunate situation. I would say that different states have their own rights. Vaiko ji also said so. There is a consensus in the whole country regarding OBC, Scheduled Castes and Scheduled Tribes and our Government is committed to maintain it. If any decision is to be taken by the Parliament for this purpose, we are also ready for it. If any court has given such a judgement, then we will approach the higher court and try to correct the things.

[English]

...(Interruptions). Please bear with me. We now discovered that there is no decision of the Allahabad High Court. In a way, what we have been discussing is a matter which is before the Court. Someone has gone to the Court and so, the rule of sub judice would apply here. We should not discuss it. They have given show cause notice.

[Translation]

SHRI MOHAN SINGH (Deoria) : I want to put my question in one sentence only ...(Interruptions)

[English]

MR. SPEAKER : Order please.

(Interruptions)

SHRI L.K. ADVANI : I am not yielding.

Just as we have been very particular in this House about the sphere of Parliament and we would not like the judiciary to interfere here, similarly we have always respected its sphere also. Whenever there is a matter which is under consideration before a court, we have never discussed it. In this particular case, I would like to convey to the UP Government the feelings that have been expressed here and ensure that, on their part, there is nothing remiss; there is no indifference and the matter is pursued vigorously to see that the present list of the OBCs is maintained ...(Interruptions)

MR. SPEAKER : After the response of the hon. Home Minister, no clarification is required to be asked.

(Interruptions)

MR. SPEAKER : Shri Shailendra Kumar, This is not good. Please take your seat. Sit down please. What is this?

(Interruptions)

MR. SPEAKER : This will not go on record.

(Interruptions)*

SHRI P. SHIV SHANKER : I never wanted to interfere on this issue but I would like to say one thing. The Mandal Commission has already prepared the list with reference to the Central Services and Central educational institutions. What the hon. Home Minister has said with reference to the States equally applies to the Centre vis-a-vis the list that has been prepared by the Mandal Commission. I hope he will maintain it.

SHRI L.K. ADVANI : I may inform the House, through you Mr. Speaker Sir, that this notice which has been issued, has been issued to the Attorney-General also so that the Government of India also has a right to appear in this case ...(Interruptions)

SHRI P. SHIV SHANKER : I rise with anguish to speak about the partial, autocratic and discriminatory functioning of Doordarshan in the recent times. It reflects on its autonomy and it also exhibits its undemocratic functioning.

Sir, I am saying this in the context of the visit of the Congress President and the Chairperson of the Congress Parliamentary Party to Gujarat yesterday. She received tremendous ovation there and she went around the areas which were badly affected. There was a sea of humanity whom she met and she also met a large number of people in Ahmedabad.

Sir, I must also submit that the hon. Home Minister visited Gujarat and went around the various affected places including the hospitals and met various persons. But what upsets anyone is the fact that we are the principal Opposition party in Parliament and when our leader visits a place, the *Doordarshan*, except just making a mention of her name did not show a single clipping of her visit. But in case of the visit of the Home Minister, there were clippings showing the various places he visited and also his visit to the hospital and his discussions were also highlighted. This is most unfortunate ...(Interruptions). The *Doordarshan* should have shown the news clippings of the visit of our Chairperson to the various places in Gujarat. We are condemning the manner in which the *Doordarshan* has acted.

SHRI K. NATWAR SINGH (Bharatpur) : Mr. Speaker, Sir, I will take just two minutes.

A very profound and disturbing event has taken place yesterday. The President of the United States of America, Mr. Bill Clinton, while addressing the National Geographic Society said, ...because of its history with both the countries, China must be a part of any ultimate resolution of this matter which is Kashmir'. He said, 'if any discussion takes place between India and Pakistan, China must sit on the table'.

Would the Government be pleased to make a statement and clarify as to what the position is? It is because the hon. Prime Minister has been saying that this is a bilateral matter. Now Shri Jaswant Singh is in Washington propounding ponderous policies in ponderous prose, but what is he doing? Mr. Clinton has clearly said on TV that China will be a party to the discussion on Kashmir. Would the Government clarify the position?

MR. SPEAKER : Now, the reply of the Finance Minister to the discussion on the General Budget; Discussion under Rule 193 and the Private Members' Business are still to be taken up. So, the Matters under Rule 377 may be laid on the Table of the House.

14.58 hrs.

MATTERS UNDER RULE 377*

(i) Need to reduce Excise Duty Imposed on Marble

[Translation]

SHRI SHANTI LAL CHAPLOT (Udaipur) : Marble Industry is flourishing mainly in Rajasthan and this budget provides for an increase in excise duty from Rs. 30 per square metre to Rs. 40 per square metre. In the marble industry of Rajasthan, more than 8 lakh labourers and 2 lakh entrepreneurs and businessmen are engaged. Thus, there are about 10 lakh people engaged in marble industry. In Rajasthan, marble is found mainly in Udaipur, Chittaur, Rajsamand, Banswara, Durgapur, Makrana, Nagaur, Siroh, Jalaur and Jaipur districts etc. In the last year's budget too, there was an increase in excise duty resulting in closure of 80 percent of marble industries. Liberalisation has also affected it. Now, an excise duty of 420 paise and sales tax of 230 paise, thereby a total of Rs. 7 per square feet is levied. Businessmen which include labourers sell it at Rs. 12 per square feet after stone polishing, purchase of material, electricity charges. They do not get even one rupee per square feet for their labour. Due to this increase in excise, there is strike in all these districts and this business is lying closed. Lakhs of people are on the verge of starvation. Bandhs and strikes are being organised at several places.

I request the hon. Finance Minister to withdraw the present hike as well as the previous excise duty hike (1997) and help in saving this industry of Rajasthan.

(ii) Need for construction of a Railway Bridge at Chaupla on Bareilly-Badaun road in UP.

SHRI RAJVEER SINGH (Aonia) : There are four lines of North Eastern Railways as well as Northern Railways

in Chaupla on Bareilly Badaun section of UP and there is heavy traffic on these lines, as a result of which heavy and small vehicles have to wait for long hours there, sometimes, this situation becomes more acute and even pedestrians, rickshaw, tonga etc. do not find passage. The people of the area have a long pending demand for construction of a railway bridge on Bareilly-Badaun section at Chaupla to get rid of this inconvenience.

Therefore, I request that the construction of a railway bridge at Chaupla should be undertaken at the earliest in public interest.

(iii) Need for revival of Elgin No. 1 and Elgin No. 2 and Kanpur Textile Mills in Kanpur, UP.

SHRI JAGAT VIR SINGH DRONA (Kanpur) : Three cotton textile mills namely Elgin No. 1, Elgin No. 2 and Kanpur textile under British India Corporation were taken over for achieving three main objectives by enacting a special law in Parliament on 11th June 1981. These objectives were: providing jobs to labourers by optional capacity utilisation of these mills, modernisation of these mills and making available better and cheaper cloth to poor sections of the society. The Union Government was to provide necessary means for able administration, requisite capital, raw material and modernisation.

These three mills are incurring an expenditure of only 15 crore rupees whereas NTC's textile mills are incurring an expenditure of 400 crore rupees. These three textile mills should also be treated at par with those of NTC and whatever decision is taken about NTC, the same should apply to these mills also. I request the Government to withdraw the order of closure of these three mills and save their workers and their families from starvation as 80 percent of them are scheduled castes and minorities.

(iv) Need to provide special grant to State Government of UP for pucca construction of banks on river Yamuna between Bulandshahar and Aligarh.

SHRIMATI SHEELA GAUTAM (Aligarh) : Yamuna river flows down from Bulandshahar district to Aligarh district covering an area of about 22 kms. and then enters Palwal region of Haryana. In the rainy season, there is a fury of flood and about 30-35 villages get submerged in water due to which hundreds of lives are lost, several houses are damaged and large scale damage is caused to crops. Due to floods, traffic on national highways is blocked, thus causing a lot of inconvenience to people.

The UP Government had also constituted an expert committee, but it has not submitted its report so far. In order to find a lasting solution to this problem, construction of a dam along the area from where Yamuna river enters

*Treated as laid on the Table of the House.

[Shrimati Sheela Gautam]

from Bulandshahar to Aligarh district, is very necessary. As per the estimate of the UP Government, about Rs. 8 crores are likely to be spent on this work. It has been brought to my knowledge that the UP Government alone cannot provide such a large amount. Therefore, the Central Government is requested that UP Government may be sanctioned a special grant so that a permanent solution to this problem is found out soon.

- (V) Need to bear entire cost of maintenance of Express Highway from Daitari to Paradeep in Orissa by the Central Government**

[English]

SHRI RANJIB BISWAL (Jagatsinghpur) : The 144 Km. long express highway from Daitari to Paradeep in Orissa was constructed mainly for the purpose of movement of heavy vehicle loaded with iron ore, chromite, bauxite, and other mineral from the mines sites of the State to Paradeep Port for export purpose. But the construction of express highway particularly from Marshaghai to Paradeep is getting damaged day by day due to lack of proper maintenance.

The cost of maintenance, repairs and expansion including development was to be borne by the State Govt. as well as the Central Govt. on 50:50 basis.

Immediate attention should be given for the proper maintenance and development of this express highway. Unless immediate steps are taken for the development of this express highway it will be very difficult to ply the trucks and other heavy vehicles on that highway. The transport and export of iron ore through this road will come to stand still.

As such, I demand that the Central Govt. should bear the entire cost of the repairing, maintenance, widening and development of the express highway from Daitari to Paradeep from the 1998-99 financial year.

- (vi) Need to upgrade Vijaywada Airport on priority basis**

SHRI K.S. RAO (Machilipatnam) : Vijaywada, Guntur towns and their surrounding areas which include Krishna-Godavari delta, in Andhra Pradesh—a potential area—has made tremendous progress in the spheres of education, agriculture industry and other allied fields during the last several decades. The air traffic has also considerably increased.

The present airport at Vijaywada has not received sufficient attention from successive Governments. Only small aircraft can operate from this airport. There is urgent need for immediate upgradation of the Vijaywada Airport

wherefrom the bigger aircraft like Boeing, etc, could operate.

There is urgent need for upgradation of this airport on priority basis.

- (vii) Need for early repair of Kota barrage in Rajasthan under Dam Safety Programme.**

[Translation]

SHRI RAM NARAIN MEENA (Kota) : After completion of construction of Kota barrage in 1960 under Chambal Project, water is being made available for the irrigation of agricultural land of Rajasthan and Madhya Pradesh through left and right main canals of the dam. In view of inadequate budgetary provision for the reconstruction and maintenance of Kota barrage which was constructed 39 years ago, letters were sent to World Bank for assistance by including the dam in Dam Safety Programme after the soil sank from one side of the barrage in 1989. As per the opinion of the experts, it is necessary to undertake dam safety work. Due to continuous leakage of 14 cusec water from Kota barrage and also due to seepage of water through the holes on the walls of the old Garh Palace, the experts have opined that the repairing of the dam can be possible only if the level of water is brought down from 854 ft. to 842 ft. The repair work which is being undertaken without bringing the water level down to 842 ft, is not sustainable and suitable for the safety of the dam. The material and cement being used for the repair, get washed away by the pressure of water and it does not serve any purpose. At the time of closure of canal during this summer, no work could be undertaken on the eastern part and the part facing Garh Palace despite a decision already taken in that regard. As soon as the term of the assistance given by the World Bank expires, it will not be ready to grant further assistance, which will probably complicate the problem.

I, therefore, request the Central Government that the work of repairing of Kota barrage may be got completed at the earliest.

- (viii) Need to draw a Master Plan to check soil erosion caused by rivers in North East Region**

[English]

SHRIMATI MINATI SEN (Jalpaiguri) : The large part of Jalpaiguri with reserved forests innumerable streams, rivers and tea gardens is known as 'The Dooars' the gate way to the North East.

From Bhutan and Sikkim rivers flow rushing down through the 'dooars' and enter into Bangladesh in the South in rainy season. These rivers in their primary stage carry down logs, boulders, pebbles, sand and silt making the river-bed higher and incapable of holding the on-rushing

water in the rains. They become full to the brim and burst their banks. Recurrent floods severely damage the only railway line and the national highway. Then the entire north eastern region is totally cut off from the main land.

I urge upon the Govt. to draw up in consultation with the concerned countries and States a master plan in order to prevent soil erosion, felling of trees and yearly flood. Such a master plan, costly though it may be the only remedy for putting an end to the sufferings of the people and to the colossal wastage of national wealth.

- (ix) **Need for a manned level crossing at village Raipur Durga Devi on Jaunpur Allahabad section in UP.**

[Translation]

SHRI PARASNATH YADAV (Jaunpur) : The Northern Railways had laid a railway line between Jaunpur and Allahabad in UP before Independence. Two trains run on this track in the morning and evening. Many people cross this track while coming from the roads along this line. There is one road which goes from Varsadi to Varanasi via Jamalpur. This road cuts Jaunpur-Allahabad railway line at Raipur Durgadevi village. In the absence of any railway crossing, Accident occur there regularly. Dozens of lives have been lost in rail accidents in the past.

I, therefore, request the Central Government that a manned railway crossing may be constructed at village Raipur Durgardevi on Varsadi-Jamalpur-Varanasi road so that further rail accidents could be averted.

- (x) **Need to construct an overbridge on Cuddalore-Thirukkoviher Anaikattu Salai Railway Crossing in Tamil Nadu**

[English]

SHRI N.C. DHAMOTHARAN (Cuddalore) : Cuddalore, with an ancient harbour is now a District Headquarter. It is also an emerging commercial and industrial Centre. It has grown to become a twin-town as Old Town and New Town. The population increase and the mounting traffic have added to the woes of the people of Cuddalore these days. The problem has become manifold due to a Railway level crossing in middle of the town. The Railway Main line that handles heavy rail traffic between Chennai and Thanjavur passes through the level crossing many a times in a day. Cuddalore Railway Junction by the side of the heavily traffic-laden Cuddalore-Thirukkovilur Anaikattu Salai. The town Bus Stand is to the East of this road while the main market and the Railway Station are to the west of this Road. People moving from one side of the railway line to the other side face hardships due to the level-crossing often curbing flow of road traffic and even pedestrians.

The solution to the problem faced by the people of this town lies with the Railways. The need of the hour is to construct an over bridge to facilitate a flyover at the earliest. Hence I urge upon the Ministry of Railways to construct a Railway over-bridge on Cuddalore-Thirukkovilur Anaikattu Salai.

- (xi) **Need to exempt Edible Oil imported by Vanaspati manufacturers from 8% special additional duty**

DR. RANJIT KUMAR PANJA (Barasat) : Vanaspati is the common cooking medium for the common people. Price rise due to taxation, import difficulties and the recent 8% special additional duty may result in this cooking medium being out of reach of the common people and it may ever be out of market due to the burden on the Vanaspati industry which is already sick. 79 out of 189 factories are closed with the balance running at 30% to 40% capacity.

I would like to urge the government that edible oil imported by vanaspati manufacturers and edible oil plant as raw material should be exempted from the purview of 8% special additional duty as has already been done for the Newspaper/Printing Industry.

- (xii) **Need to Ban Sale of Contaminated Mineral Water**

DR. BEATRIX D'SOUZA (Nominated) : It is matter of urgent public concern that the Shiram Institute for Industrial Research has tested 14 of the best known brands of bottled mineral water and found that 65 percent of the supplies were unsafe for human consumption.

The Government should immediately ban the sale of such contaminated bottled mineral water.

- (xiii) **Need to declare Nagpur Airport as International Airport**

SHRI VILAS MUTTEMWAR (Nagpur) : Now time has come to make Nagpur Airport as an international airport because every year nearly 3,000 Haj Yatris visit from Vidarbha and adjoining districts of Madhya Pradesh to Makka & Jaddah. Majority of these Yatris are old and face various difficulties to get Visas and boarding from Mumbai's Sahara Airport.

Every year these Yatris are being cheated and ditched in Mumbai by fake travel agents. Also frequent changes in international flight timings which create accommodation problem are faced by old Yatris and their relatives in Mumbai. To avoid hardships to our senior citizens, steps should be taken to make necessary arrangements such as immigration, customs etc. to board from Nagpur instead of Mumbai.

[Shri Vilas Muttemwar]

After a long persuasion from the people of Vidarbha for the last two years, Nagpur airport is available for air cargo operation to uplift International cargo and the runway has already been extended to 10,000 feet and recarpetted for operations to meet the wide-bodied aircrafts' demand. International air cargo charters are being operated without any problems from this runway.

The people here, after commissioning of cargo service are now eagerly waiting for international passenger service from Nagpur Airport. The amount of benefits that this service shall generate not only for the entire region of Vidarbha but adjoining many districts of Madhya Pradesh and Andhra Pradesh in numerous dimensions of industrial, commercial spheres such as tourism. Also, making Nagpur as an International passenger airport will help to divert the extra crowd and burden from the over-populated cities.

This right should not be denied to the people of this region due to want of air facilities. Government should respect the religious feelings of the senior citizens and agree to the proposal.

14.59 hrs.

MESSAGE FROM RAJYA SABHA

[English]

SECRETARY-GENERAL : Sir, I have to report the following message received from the Secretary-General of Rajya Sabha:-

"In accordance with the provisions of Rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on the 11th June, 1998 agreed without any amendment to the National Institute of Pharmaceutical Education and Research Bill, 1998 which was passed by the Lok Sabha at its sitting held on the 4th June, 1998".

MR. SPEAKER : Now, the Finance Minister will reply to the discussion on the General Budget.

(Interruptions)

[Translation]

SHRI LALU PRASAD : Mr. Speaker, Sir, hon'ble Home Minister had gone to Gujarat. He was to give a statement regarding Gujarat. What happened to that?
...*(Interruptions)*

[English]

SHRI S. JAIPAL REDDY (Mahabubnagar) : Sir, I am on a point of order.

MR. SPEAKER : What is your point of order.

SHRI S. JAIPAL REDDY : Sir, the discussion under rule 193 on Maruti Udyog Limited should start at 3 p.m. irrespective of the state of business, whichever is earlier.

MR. SPEAKER : No, please.

SHRI S. JAIPAL REDDY : Sir, I am raising a point of order.

MR. SPEAKER : The reply of the Finance Minister is listed for 2 p.m. today.

(Interruptions)

SHRI S. JAIPAL REDDY : Sir, they cannot suppress our voice like that. ...*(Interruptions)*

SHRI BASU DEB ACHARIA (Bankura) : When will the discussion under rule 193 on Maruti Udyog be taken up. ...*(Interruptions)*

MR. SPEAKER : Please, let us first complete the reply of the Finance Minister.

15.00 hrs.

BUDGET GENERAL 1998-99

AND

DEMANDS FOR EXCESS GRANTS (GENERAL) - 1995-96 - *Contd.*

[Translation]

* DR. LAXMINARAYAN PANDEY (Mandsaur) : Budget proposals presented by the hon'ble Finance Minister is a bold step. It is worth welcoming from both the view points i.e. priority and objective. On one side great emphasis has been laid on agriculture, rural development, education and employment, on the other increase in defence budget is also of great importance. Remarkable development in nuclear programme and atomic programme indicates the ambition to put India in special position. India is an agriculture dominated country. So far, this sector was being neglected but now for the first time an allocation of more than 50 per cent has instilled confidence among the farmers. About 75 per cent population of the country depends on agriculture. The government had increased the price of urea but it has now been reduced to a great extent and it is expected that this small increase would also be withdrawn. The scheme to provide credit cards to the farmers and steps taken for rural development are worth appreciating.

*Speech was laid on the Table.

Mr. Chairman, Sir, along with agriculture, increase in allocation for education is also worth appreciating. A praiseworthy effort has been made to bring down the population growth and thereby checking the growing population of illiterates and also an effort has been made to bring the country in the category of literate nations. Providing potable water in rural areas and solving this problem in the budget as per the promises made in the National Agenda, is an example of the fact that the government has turned its promises into reality. By increasing allocation in defence budget an effort has been made to instill confidence among the people that India is safe. We need not fear the threats posed by our neighbouring countries.

Madam, there are other things also like inland letters, envelopes and prices of other postal items which may effect the common men particularly the middle class people. I know that people will be given relief by bringing down their prices as per the people's demand. Withdrawal of tax on services and on tent houses would also give relief to the people. Today, we talk about globalization from the economic point of view. There are many things which certainly have to be seen in the context of economy and trade relations with other countries and with that aspect in view in respect of export and import an effort has been made to streamline the excise, sales tax and import duty. This is why industrial sector has termed this budget as a balanced and practical one. Abolition of gift tax is also a commendable step. Some new priorities have also been included in the budget. Some provisions have also been made to encourage "Swadeshi". I want that special efforts should be made in this direction. Announcements made in regard to electricity, transport, telecommunications and insurance sector are also signs of change.

Madam, some hon'ble Members have termed this budget as directionless and inflation raising but a minute observation of the budget does not indicate towards any increase in inflation. Directions are already decided. This budget has been presented with an aim and determination to ensure rural development, prosperity in agriculture sector, equipping defence of the country with modern weaponry and removing unemployment with creating a sense of self reliance among the youth of the country. As I said earlier that allocation made for education is a commendable step. There is no apprehension that this budget may cause price rise, however, due to globalization there may be some impact on economy but this would become negligible by our efforts. Many people have expressed apprehensions on extending assistance to film world but it is their baseless apprehension because it would remove the problems of those who earn their livelihood from cinema and on the other hand it would put a check on black money in film world. It would be checked to a great extent.

Madam, we shall also be under the pressure of International Monetary Fund and World Bank but so far as national pride, Swadeshi and a determination to lead the country ahead, we shall be in a position to resist that pressure. Due to this pressure there may be some shortfall in schemes but the hon'ble Finance Minister has made an effort to give a new lease of life to the economy of the country. Non-resident Indians have also been given an opportunity to come forward to bring prosperity to the country. Some provisions have been made in for the discontented labours of the industries suffering losses constantly and some special provisions have also been made to make the country self reliant in respect of petroleum or oil sector. This budget has been appreciated by all sides. Some hon'ble Members had objections regarding urea and petrol prices but that has also been removed to a great extent.

Madam, concluding my speech, I again thank hon. Finance Minister and make a request that the practical suggestions of hon. Members should be taken into consideration and he should give an assurance to the Members accordingly in his reply.

*SHRI DEVENDRA BAHADUR ROY (Sultanpur) : I thank you for giving me an opportunity to speak on general budget.

This is the first budget of BJP coalition Government led by hon. Prime Minister Atal Bihari Vajpayee. This budget has been applauded both by national and international investors and industrialists. Politicians and economists all over the world have expressed their pleasant surprise over this budget in the aftermath of the sanctions imposed by the various developed countries.

It would be better to take stock of the present economy of the country before we initiate a discussion on this budget. Though the growth was registered in the industrial sector in the first phase of the liberalization initiated in the 1992-93 and the Government and foreign investors made investment in this sector but neither the Centre Government nor foreign investors made any investment in the agriculture sector. Consequently, the agriculture sector legged behind. Agriculture contributes 30 per cent of the GDP. However, the growth rate in the industry sector has come to standstill for the past two years and there is recession at present. This Budget seeks to deal with all these challenge.

Each and every budget has some lacunae. However, a budget with a direction and other plus points can be regarded as a good budget. This budget addresses sufficiently to the agriculture, education, infrastructure and social sectors. Agriculture contributes 30 per cent of GDP

*Speech was laid on the Table.

[Shri Devendra Bahadur Roy]

and 70 percent is contributed by the consumer sector. Keeping it in view, the Finance Minister has earmarked Rs.677 crore for agriculture sector as compared to Rs.517 crore allocated last year. Rs. thirty thousand crore have been earmarked for the infrastructure of this sector as compared to Rs. two thousand crore previous year. This is a welcome step. Credit cards proposed to be given to the farmers is also an innovative step.

Sir, no attention has been paid to the infrastructure in the past years, as a result our economy has legged behind but tremendous efforts have been made to accelerate the economy by provisioning in this budget Rs.61146 crore against Rs.45252 crore last year (35 percent increase).

Sir, much stress has been given on housing which would prove to be a boon for the growth of the economy of the country. Housing for poor, employment to the unemployed and boost to the cement and iron industries would enthuse the industry sector. Similarly, by providing Rs.7047 crore against the last year's allocation of Rs.4716 crore for education, the Finance Minister has provided opportunities for employment and cultural development of the present and coming youth generation. Provision of more than 14 percent for defence shows the concern of Finance Minister for the security of the country. It is a commendable measure. An hon. lady Member of Congress has just stated that the BJP coalition Government is preparing for war by enhancing defence budget. Sir, through you, I want to attract the attention of such detractors of the Government towards the Chinese aggression on India in 1962. Sir, the then Government was manufacturing tractors in the tank manufacturing factory. Our soldiers posted at snow covered borders on Himalayas had been supplied ordinary shoes and uniforms. The consequence is before us. Thousands of our soldiers were killed and lakhs of square mile land was occupied by China. The Defence Minister was sacked and the prestige of Nehruji was lowered. Crores of our countrymen were deeply shocked and there were tears in their eyes on the occasion of Diwali and they were deeply moved by the sad song sung by Lataji. This present budget should not be criticised, rather, it should be appreciated. Now, neither we would have to wait nor we would have to shed the tears again like we did in the past. Now, we would rejoice and sing songs of victory.

In the end, I would like to make a request. Last year also at the time of budget discussion I had raised this point. I am again raising this point because nothing has been done in this regard. Sir, budget is prepared collecting billions of rupees and tax is imposed on people and also money is being borrowed. Why? Because this money is

being spent on various development works. But is it really taking place, no.

Sir, it takes four months to prepare the budget and in the next seven months and 15 days, about 30 percent of the budget is spent while from 20th to 31 March, 60 to 70 percent of budget is spent. This is a sort of criminal wastage. Penal action should be taken against the persons responsible for it. Spending billions of rupees within ten days only is not spending, rather it is bungling. Actually, discussions should be held after every quarter of the year and the money of the country should not be made available for looting. Strict measures have to be taken to deal with situation. A comprehensive plan should be chalked out for drinking water within three months otherwise in future lack of drinking water would pose a great threat.

Sir, I support the present budget. I thank you again for giving me an opportunity to participate in the budget discussion.

*SHRI RAM TAHAL CHAUDHARY (Ranchi) : Mr. Speaker, Sir, my name was enlisted as Speakers participating in general budget discussion. However, due to shortage of time, I could not participate in this discussion. Hence, my speech and suggestions should be incorporated in the debates.

Mr. Speaker : Sir, in support of this revolutionary budget presented in the Parliament by the Finance Minister Shri Yashwant Sinha under the leadership of hon. Shri Atal Bihari Vajpayee, I want to state that this budget is going to benefit the common people of the country, who have been deprived for fifty years. This budget makes provision for providing drinking water facility to the poor and every person in the country, constructing roads and bridges, providing health facilities, spending more money on education, constructing more houses under Indira Awas Yojna, allocating more money for rural employment, reviving pending irrigation projects, electrifying villages, reviving sick industries, creating separate Vananchal State, completing pending projects like Swarn Rekha and Chandil Paschim Singh Bhumi multipurpose projects. This budget presented by the Finance Minister is in the interest of the poor and it takes care of all classes and is in interest of the country. This is very much appreciable budget.

But at the same time, I would like to put forward suggestion to the Central Government that the funds allocated to the various departments of the Government are misappropriated. Funds are being pocketed in the name of the poor. That is why vigil has to be kept to ensure proper utilizations of the funds and timely completion of the schemes. Otherwise misappropriation of funds would continue like in the past. Every centrally sponsored

*Speech was laid on the Table.

scheme-whether it is Assured Employment Scheme or Indira Awas Yojna should invariably involve Member of Parliament. The Schemes should be sanctioned in consultation with and on the recommendation of Member of Parliament and if these schemes are reviewed quarterly, it would help them to complete in time. Hand pump quota has been provided to MLA only. It is not provided to an MP. Hence, it should be provided to MPs also.

I have to make a request to the Central Government that unless it pays any attention towards corruption, no plan or work can be completed. The Government has to take a tough stand to deal with it. If anybody whether a Government servant or even a public representative is found involved in corrupt practice, stern action has to be taken against him. Then only corruption would be checked. Brokers and agents have encroached every walk of life, that is why a strict vigil has to be kept on them and action would have to be taken. Then only goods would be delivered and honesty would prevail.

Together with this I request the Union Government to solve some burning problems of my constituency Ranchi.

1. Incomplete work of multipurpose project Chandil, West Singh Bhum's should be completed at the earliest.
2. H.E.C. Dhurva should be given more work orders and senior officials there should be removed immediately. The Chairman-cum-Managing Director and Director are two retired persons. Qualified officials should be appointed there through advertisement.
3. Gola, Chandil, Bhaya Sili Banta, Barendra road being constructed for the last forty years is still incomplete. Union Government should take over this road and complete construction of incomplete road and culvert. Similarly, the by-pass road in Ranchi city having population of ten lakh has not been constructed. By-pass road should be constructed there. The Vananchal State Bill should be introduced in the current session. The hike in Urea prices should be completely withdrawn. With these suggestion I thank the Hon. Speaker and fully support this budget.

*DR. RAMVILAS VEDANTI (Pratapgarh) : The fundamental of principle of economics is based on demand and supply. Demand and supply increase the tendency of consumption and its source is mind. History is witness to the fact that no check on mind has been cause of materialism, selfishness, senselessness immorality, bitterness, social animosity etc. It results in loss of culture, civilisation and country.

*Speech was laid on the Table.

"Kuch baat Hai Ki Hasti Mitthi Nahin Hamari Yunan, Meero, Ruma Sab Mit Gaye Jahan Se."

This 'something' (Kuch Baat) was felt by Indian thinkers it was restraint on mind, curbing our desires and understanding the importance of renunciation. This thinking gave the ideal of 'simple living and high thinking'. All these efforts were made to save humanity, civilisation, culture from the ill effects of consumerism caused by market forces.

Demand and supply is a principle but the strength of economy can be gauged by increase in income and not by consumption. That is why Kotilya emphasised restraint on consumption and not income. Forces who believe in loot tendency cannot digest economics of Kotilya. The allurements of economic dominance over developing and poor countries by increasing consumption of their products brings them nearer to the principle of 'charvak' i.e. living life comfortably even at the cost of being in deep debt. They find market arithmetic of Smith, Plato and Aristotle more practical, Because of the West Minister system which was adopted by India after Independence, attitude towards consumerism of the West was positive and it took its roots. The 1991's decision of liberalisation brought about a qualitative change in this process of exploitation.

The first budget presented by the Finance Minister of BJP's coalition Government under the able leadership of Shri Atalji definitely presents the Indian mind set to put restraint on consumption. The vision was made to include credit and holders and members of costly clubs under the income tax. Bringing Chartered Accountants, Management Consultants Interior Decorators, Company Secretary and other high professionals within the ambit of income tax and excluding persons engaged in transportation labour is not doubt a welcome step. Moreover, I would request the Finance Minister that income tax exemption should be given for investment in opening of new institutions development of research/technology, providing employment or national development programmes. There is no doubt, that its far reaching effect will strengthen internal economy.

Globalisation spread the illusion of universalisation with a view to spread sweet poison of exploitation whereas the truth is that inland trade and tourism had strengthened with the progress of society and the nation. The visit of Gods, devdoots/prophet in pre historic age as mentioned in scriptures/religious books and the visits of Marcopolo, Vasco-de-gama, Sindbad, Fahyan. Megasthneez. Hun-Seing and traders/diplomats can be viewed in this perspective. No doubt, the present advanced technology of communication and transport has made easy availability of difficult opportunities of globalisation for all without any time delay.

[Dr. Ramvilas Vedanti]

Allurement of foreign technology and investment was offered through globalisation, liberalisation, universalisation. We welcomed the foreign masters with open arms to materialise our imagination like the romantic dreams of 'Mungerilal' instead of giving priority to strengthening internal economy/technology upgradation. We were so obsessed that we forgot the trap of slavery laid by East India Company two hundred years ago. We have not even been able to indigenise the foreign technology that has come here. We handed over infrastructure sector to easily available imported technology and made tall claims of development which is not real. We forgot that necessity is the mother of invention. We could not bring indigenous technology even in telephone instrument. We have to depend on foreigners for micro chips and semi conductors. Due to the refusal of Dunlop to transfer technology of type/tube, a big company Ceat India had to be sold. It is only one example. The truth is that remote control for our physical development has gone into the hands of foreigners due to our inaction. Technology has come but only in potato chips, food processing cosmetics and spreading vulgarity and obscenity. The hon. Finance Minister has tried to show the path of self-reliance by making adequate allocation under the heads of Research, Science and Technology and he deserves kudos for it.

Our inaction has promoted borrowing in the name of liberalisation. Today the position is that out of one rupee collected as tax from public, forty paise goes as interest payment, whereas the principle amount remains intact. According to the Annual Report of Reserve Bank, Government's total loan liabilities in 1997-98 were Rs. 734,000 crore out of which Rs. 56,000 crore were in the form of foreign debt. The proportional use of this loan has been more used in distributing petty benefits or paying the liabilities of sick units or leakage of Government funds. We have to pay interest of Rs. 68,000 crore every year for these liabilities. I would request the hon. Finance Minister to find a permanent solution to this by making one time payment and free people of India from this labyrinth of interest payment through sale of unused assets or voluntary fund.

So far as foreign investment is concerned, one example would be sufficient. We spend about 15 hundred crore dollars every year on purchase of gold. The expenditure relates to only one item whereas we get 2 or 3 hundred crore dollars as foreign investment. I represent Pratapgarh Parliamentary Constituency. The maximum number of persons operating betel shops in Delhi come from Pratapgarh (Uttar Pradesh), they are 'Chaurasias'. If their monthly income is Rs. 5000 then they save and send at least Rs. 1000 to their Some portion of income

earned in Delhi goes to Pratapgarh also and it is but natural. This principle applies on foreign investors also. It is disgusting when the inhuman tendency of profiteering increases ignoring propriety and fair play. The culture of loot takes over thereafter. Such things are not impossible in the mentality of foreign investors. The economic crisis of Indonesia, Thailand and Malaysia is before us. They were dependent on foreign investment and prospered with dramatic speed like a balloon and were known as Asian Tigers. We are also aware of the pathetic condition of Latin American countries. So need of the hour is to emphasise strengthening of internal economic system, keeping in view the looming crisis in the present circumstances. The Finance Minister has taken an initiative of internal liberalisation under the dynamic leadership of Shri Atalji and this has been underlined in the budget. Opening of Insurance Sector for Indian investors in a part of this move. The facilities extended in the budget to non-resident Indians of Indian origin are definitely Indian version of investment and open market. The country would get economic and cultural benefits. Eight percent compulsory import duty has not only provided competition spirit but has also freed the sick indigenous industries from the strong hold of multinational companies and determination to free them from bureaucracy and tax relief given to the industries would also prove to be a panacea in the development of small scale industries.

Under the able guidance of hon. Prime Minister, the Finance Minister of the BJP led coalition Government has made financial provision keeping in view the people of the poorest and the weakest section of the society which is a positive revolutionary effort with independence, there was partition at two levels-one was geographical whereas the other was psychological. One was apparent and the other was abstract. Bharat and India are the two faces of it. India is a rural economy and 75 crore poor and weaker sections live here. They are being exploited every moment in their effort to glory to India. Those who sit in South Block and North Block do not have the least idea that those who earn five rupees a day as their livelihood have anything to do with Bisleri water bottle which is selling at rupees 12 or Pepsi or Cola or costly fast food or Italian pizzas. The Finance Minister has taken a bold decision in making the budget proposals rural oriented. Fifty percent increase in agricultural plan expenditure and Kissan Card are a few examples. 35 percent budget allocation to strengthen infrastructure sector is a proof of our commitment towards building a self-reliant India.

There was no threat of economic sanctions to deter us from conducting nuclear test in 1974. Now, the situation has changed. Undue pressure is being exerted on us by the exponents of liberalization. It is expected of us that we should remain confined to certain limits, remain weak

and obedient. This is a vicious circle. To keep the identity of the country intact hon. Atalji has taken bold steps without being cowed down by such threats. The country is proud of it. People are also striving towards self reliance. The Finance Minister has also taken an initiative in that direction while preparing a development oriented budget he did not let the cloud of economic sanctions overshadow it. Some people are very much dejected with this budget. Due to economic sanctions people had apprehensions that the budget proposals may hit them hard but their apprehensions were baseless. They are perplexed ultimately they have found out away to oppose this budget. They are very laborious and now they say that there is no provision to face the impact of economic sanctions. The National building is possible only beyond the limits of narrow politics. If there is any such possibility, we should contribute unitedly to a new economic culture than to oppose it without any logic.

Due to the liberalisation culture our economy has got stuck in the jugglery of financial terms like Portfolio investment, WTO, Direct Investment and inflation. It is being argued that inflation may rise due to economic sanctions and price hike may go beyond control. I would like to give an example that in 1991-92 inflation was around 16 percent and in the market flour was being sold at Rs. 3 per kilogram, potato was Rs. 2 per kg. rice (parmal) was Rs. 6 per kg. and mustard oil was Rs. 28 per litre. in 1997 inflation rate was lowest in the past twenty year i.e. it was 2.97 percent but the instead of fall in the prices commodities like flour was Rs. 10 per kg. potato was Rs. 10 per kg. rice parmal was Rs. 10 to 14 kg. and mustard oil was selling at Rs. 42 to 45 per litre. Now, where lies the inter relationship of price hike and inflation. Jugglery of statistics should be stopped now. An effort should be made to accept the reality. Hon. Members of this House should give their opinion keeping the poor and weaker sections of the society in mind. The Finance Minister has drawn an outline with these budget proposal. Now an effort should be made to implement it crating an atmosphere of cooperation with all sincerity. Instead of criticising, it would be more relevant to think as to how this House would tackle the flaws in the system in order to implement the proposals made in this budget. We shall have to think as to how a work culture has to be developed in the country. I think every Government has to face such problems. I am confident that we shall be able to develop a new culture to build this nation of positive initiative cutting across the party affiliations. Nation building is our supreme duty we would adopt constructive and cooperative attitude.

We want that indigenous thing like cowdung should be used as manures for agriculture in the country. Fertilizers like urea is harming the fertility of the land. Use of chemical fertilizers turn the land in a waste

land. Cow dung nourishes the land. Two quintals of manure can be produced with 8 kg. of cow dung. Plants get more benefit from liquid cow dung. National Institute for Training in industrial engineering Mumbai has developed an equipment through which an Ox can generate 786 watts of electricity.

In the international Energy conference hold in Nairobi the Prime Minister of India on 10th August 91 said that Okes in India produce more energy than our power stations whose installed capacity is 22 thousand Megawatt. If they are not used, we shall have to invest a capital of 2.540 billion dollar on power generation. Apart from this cow dung for agriculture purpose and cowdung cake used as the cheap fuel would not be available.

Therefore, the bovine wealth would have to be protected. About 8 crore Oxes are engaged in agriculture work in the country. But their number has declined. I think Oxes are of great use in this country even from environmental point of view. This is a very appropriate budget. The previous Governments had taken too much of loan which has brought this country to the path of devastation. In present situation 40 paise of a rupee earned from tax are spent on the interest payment of the loans. As per the annual report of the Reserve Bank of India, the Government had a loan liability of rupees 734,000 crore out of which 56,000 crore rupees was of foreign loans. If the Government tries to pay of this loan, the Government would save about 68,000 crore rupees spent on payment of interest. This would help in development of roads and canals. The Government should think seriously in this regard. This Budget is aimed at eradicating poverty and taking the country to the path of progress. I would like to congratulate the hon. Minister for this.

A person gains strength from self reliance. A self reliant Society will help to attain national prosperity and pride. The source of awakening the sense of self reliance lies in Swadeshi.

Undoubtedly, the country today is passing through a phase of economic transition. On one side we have a huge burden of loan taken by the previous government and on the other hand there is economic sanction imposed as a result of nuclear test. But even at this stage of transition the Union Finance Minister has resolved to awaken the sense of self reliance by presenting Swadeshi welfare budget at the same time he has high-lighted the Government courage, resolve and firm determination to do so. Therefore, if we leave the opinion of the so called opposition leaders whose only aim is to criticise any step taken by the Government and consider it as their birth right, must of the economists, industrialists, editors, economic thinkers and common men have fully appreciated this budget.

[Dr. Ramvilas Vedanti]

Probably, it is for the first time that a budget has been prepared keeping ground realities in mind. This is why together with agriculture, rural development, education health, employment, welfare sector special attention has also been paid on importance of the indigenous cottage industries. By enhancing 50 percent allocation on agriculture has been proved that this Government cares for the vast majority of population i.e. the farmers who make the country self reliant concrete efforts have been made to revolutionise the domestic industries which are suffering due multinational companies. This would open up vast opportunity for employment. Increase in taxes on luxury items is also a judicious steps. Eight percent additional import duty in the interest of Swadeshi is also a welcome step.

[English]

*SHRI ANNASAHEB M.K. PATIL (Erandol) : Hon'ble Speaker, I beg to lay my speech on the General Budget for the year 1998-99 on the Table on the House.

At the outset I congratulate the Hon'ble Prime Minister, Shri Atal Bihari Vajpayee and Hon'ble Finance Minister, Shri Yashwant Sinha for their bold action to represent the revolutionary Budget. Sir, this Budget is a unique one and is the only Budget to consider the real problems of all the Indians. This budget is good for all the Indian inhabitants dwelling in cities & villages.

I welcome the solution to the problems of agriculturists & rural masses. The true India is in Villages and the Government has taken very essential and proper steps to uplift the village folks. It is heartening to note that the plan allocation to the Ministry of Agriculture is by 58% It is also heartening to note that Rs. 1627 crore have been kept for Rural Water Supply to benefit one lakh inhabitation-irrigation and water development programmes are welcomed. Various Steps to boost the morale and credibility of the farmers is praiseworthy.

In the Industrial field more attention is given to sustain the financial and market constraints. I welcome the support of Central Government to the ruining state of small & big industries. The Finance Minister reflected his image in improving the conditions of common men for their needs of food, clothing and shelter.

In the sphere of shelter he has brought various schemes of housing.

No progress of India would be achieved if we do not pay attention to infrastructure and therefore the steps taken in the direction of development of infrastructure in the

Budget are most creditable. Moreover the Budget provision of increased outlay to the tune of 35% in Energy, transport and communication is a well-voiced decision.

I must congratulate the Finance Minister for his consideration and provisions of enough increased funds for education, youth development programmes, free education to girls and so on.

The Finance Minister has also considered various encouraging schemes on Finance and Capital Markets, inflow of capital through NRIs, Disinvestment in PSUs, Direct & Indirect taxes.

I once again congratulate the Hon'ble Prime Minister, the Finance Minister and the Government for presenting such an excellent Budget for all Indians.

[Translation]

*SHRI INDRAJEET MISHRA (Khalilabad) : Mr. Speaker, Sir, I thank you for giving me an opportunity to speak. I support the budget. If we consider the situation in which the Hon'ble Minister of Finance took over the charge, we will find that growth rate was only 5 per cent. There is a sharp decline in agriculture production. The industrial production has come down to 4.2 per cent. The fiscal deficit is 6.1 per cent. The capital market scenario is gloomy. There is continuous depreciation in rupee value. In such a situation, courageous steps have been made to implement the policies of the Government. I thank him for this. He has given more attention towards agriculture production and rural development. There is adequate increase in irrigation capacity which was 37 per cent earlier. A courageous step has been taken by earmarking 58 percent of the budgetary allocation for the development of rural areas. A provision of Rs. 677 crore has been made for wasteland development programme, which is 30 per cent more than the budgetary provision of 1997-98. The farmer used to run from pillar to post for loan and he was unable to get agricultural loan. Further, he used to face a lot of difficulty due to corruption in cooperatives and rural banks. Now, the Government has increased share capital of NABARD by Rs. 500 crore which will enable the farmers to get more loans. Besides, farmers have been honoured by launching credit card scheme. Special attention has been paid to agricultural production. The hon. Minister deserves congratulation for this. The Government is requested to take concrete steps for the restructuring of rural banks and strengthening of rural and urban cooperative banks in villages. Steps should also be taken to ensure more participation of cooperatives by carrying out amendments in the Constitution of cooperative banks.

In spite of the directions from the Reserve Bank of India, all finance companies are operating without any

*Speech was laid on the Table.

*Speech was laid on the Table.

guarantee. After duping the poor people of their hard earned money, these companies wind up their business and disappear. There must be effective check on such companies. Further, in order to make the savings scheme of the cooperative and rural banks more attractive, the rate of interest on savings should be increased.

I request the Government to exercise effective control over the schemes related to employment and development, such as Jawahar Rojgar Yojna, Indira Awas Yojna, Employment Assurance Scheme, Child Development projects etc. and bring transparency in their functioning.

I would like to make a special mention of Eastern Uttar Pradesh. The youth of that area has to run from pillar to post for work or employment in every corner of the country. Due to non-availability of employment opportunities there, the youths have turned to the criminal world and the incidents of looting are on the increase there. In the name of industry, there is only one fertilizer factory in Gorakhpur in Eastern Uttar Pradesh. That too is lying closed for the last several years. It is requested that this plant may be restarted without further delay. Besides, arrangements may also be made to establish employment oriented industries for the development of eastern Uttar Pradesh. There is acute shortage of electricity in that region. Hence, a power generation unit should be set up there at the level of the Central Government. A development package should also be prepared for the development of eastern Uttar Pradesh.

I once again congratulate the hon. Finance Minister for presenting a development oriented budget.

*SHRIMATI KAMAL RANI (Ghatampur) : Mr. Speaker, Sir, I support the budget presented by the Hon'ble Minister of Finance. It is well known that when the BJP Government took over on 19 March, 1998, the economic situation was grim. Several hon. Members have already mentioned about it in this House. The Congress Party has been in power for most of the period during the last 50 years. It will be no exaggeration if I say that in the Congress Party, almost a single family ruled the nation. During that period, there was negative development of agriculture and the food-grains production which was 199 million tonne in 1996-97 decreased to 194 million tonne in 1997-98. This is the result of the policies evolved by those very persons who talked of the welfare of farmers.

The industrial production which was only 4.2 per cent, due to recession has further declined. The situation on fiscal deficit front continued to deteriorate and it reached 7.1 percent of G.D.P. At that time, the problems of infrastructural facilities were increasing and the economy of the country was in a shambles. It is after the policies of the last fifty years that we want to tell the people what

'swadeshi' is and what 'videshi' is? Their Government could not even provide drinking water to rural populace. There are lakhs of villages in the country where people tread a distance of 5-7 Kms. to fetch drinking water. The situation of electricity is worse. Even today, there are a several villages where electricity is not available. We have inherited such an economy.

The Pokhran tests have increased external threats. The countrymen feared that this time a hard budget would be presented and there would be taxes galore. After Pokhran tests, people were mentally prepared that this year, there would be a provision for heavy taxes in the budget. However, I would like to congratulate the hon. Prime Minister and the hon. Finance Minister because all these situations had no effect on them and they presented such a balanced budget. The people who were talking of imposition of heavy taxes found their fears unfounded. The hon. Minister has removed their apprehensions and presented such a budget which has been welcomed by the common man. The workers, farmers, women and employees have welcomed it. In nutshell, almost all sections of the society have welcomed it.

After Pokhran tests, we faced many threats but the hon. Prime Minister and the hon. Finance Minister have taken the budget task very seriously. This is not a budget presented half-heartedly nor has it any sign of depression. In fact, this budget has been brought after assessing all situations and fully realising the impending danger.

Today, housing problem has become a major problem of the country. If one happens to go to any big city or a town, one will find the housing problem as one of the biggest problems.

There are lakhs of people in the country who have no houses to live in. I have been elected from Ghatampur Parliamentary Constituency of Uttar Pradesh. There are many people who do not have a house. Electricity and drinking water are other serious problems there. Roads are in dilapidated condition.

I, therefore, request the Government to take remedial steps for resolving the above problems in my Parliamentary Constituency, Ghatampur.

*SHRI RAMCHANDRA BAINDA (Faridabad) : Mr. Speaker, Sir, I rise to support the budget. This budget is not only the topic of discussion in this House but outside also. It is for the first time after 50 years of independence that the budget of 1998-99 presented by the hon. Minister of Finance with the able guidance of the hon. Prime Minister, takes in account the basic needs and problems of the people in the lowest rung of the society and also

*Speech was laid on the Table.

*Speech was laid on the Table.

[Shri Ramchandra Baidya]

the adverse impact of the economy of the so-called developed countries on our economy. I heartily congratulate them for this effort. Some of my friends have termed this budget as a budget in the Swadeshi shade. They have, no doubt realised that this budget supports 'Swadeshi', but in my view it is a courageous budget. It is unique from the point of view of its objectives and priorities as compared to the budgets of past governments. It is a pro-poor and development oriented budget. In this budget, the provision for agriculture has been increased by 58 percent as there are about six lakh seventy thousand villages in the country and 70 per cent population live in villages. This increase of 58 per cent for the development of villages will give a new direction to the nation.

It is for the first time that a significant increase of 50 percent in the budgetary allocation has been made for agriculture and education. This is a clear indication of the objectives and priorities of this Government. India is an agricultural country. The rural population of the nation have its roots based in water, land and forests which has been given special thrust in this budget. About 70 per cent population of India is dependent on agriculture and agriculture is the main source of their livelihood. It is a matter of great concern that even after fifty years of Independence, waters of our rivers are going waste and we are not able to utilise them. In the Five Year Plans implemented so far, 256 irrigation projects were cleared but only 85 irrigation projects could be commissioned and 171 projects are still lying pending. The past Governments never paid attention to these projects, as a result of which the condition of farmers in our country has become a matter of concern.

I am glad that the hon. Finance Minister has announced this successful strategy by increasing the allocation for agriculture by 58 percent. I am confident that the benefits of this budget will reach the farmers and this policy will be helpful in the development of India. I request the Government to provide good quality fertilizers to farmers at reasonable rates and ensure that the prices of fertilizers remain stable. I have already requested the hon. Minister of Finance to roll back the hike in the prices of urea. He has given an assurance and I hope that the price of urea will be brought down in this budget.

I would also like to request the hon. Minister of Finance to ensure that 58 percent increased allocation for agriculture is utilised properly on agriculture only. This budget should not be leaked in the middle. One of our former Prime Ministers had said that if we sent one rupee from Delhi, the villagers would get only 10 paise. I request that the whole money sent from Delhi must be spent on the development of villages and it should not be leaked in the middle. The hon. Minister of Finance is requested

to make every possible effort to provide new technology and education to farmers as agriculture is the basic structure of our development. Our development will be strong and sustainable only through agriculture.

Irrigation and agriculture are inter-related. Even after 50 years of Independence, only 37 per cent agricultural land is irrigated. As I told earlier, 256 projects had been cleared so far but only 85 projects were commissioned. 171 projects are still lying pending. Floods cause a lot of havoc in the country, but there are areas which are severely hit by drought. We have no shortage of water in the country. The land of our country slopes down from North to East and as a result, water in rainy season flows down from these rivers in large quantity and causes heavy damage to crops, soil and human beings. Do we have no experts to check this deluge? When our scientists can produce an atom bomb, they can also invent means to check floods. I feel that we have failed to pay attention to this aspect. I would request the hon. Minister of Finance to pay special attention to this problem so that more and more agricultural land could be irrigated. This will be a new boon to the farmers.

I would also like to submit that there are certain river water disputes going on in the country. One state fights with another state. There are bickerings over water among states. We shall have to put an end to such disputes. I think the Government will take appropriate steps in this direction soon so that farmers could get sufficient water and the nation could progress. The nation can march ahead only when the fields are full of crops and it is possible when arrangements are made for providing adequate water for irrigation of agricultural land.

I also want to say something regarding the provisions for education in the budget. The hon. Minister of Finance has increased the budgetary provision for education by 50 percent. I am in favour of a direct link between education and employment. Education should make the new generation self-reliant and it should not lead to unemployment. Even after 50 years of Independence, the education pattern of Lord Macaulay is still in vogue. Our ancient culture has no place in present-day education. The youths of today gets Western education and forget their duty towards the nation as well as the sense of patriotism. They forget that the education based on Vedas in ancient times was founded on our culture. While giving stress on education, I would like to say that our old education system was the real education system and education must be employment-oriented. Today, a youth after doing B.A. or M.A. wanders in search of job. There should be such arrangements in education which could help in removing unemployment. I thank the hon. Minister of Finance for making a provision of Rs. 100 crore for girls education.

If we give education to a girl in a family, two families become educated. I would request the hon. Minister of Human Resource Development, who is an educationist, to make the education, employment-oriented.

I would also like to touch upon health. The hon. Minister of Finance has given significant relief for the betterment of health services. As per the report of the World Health Organisation, there should be one bed per 250 persons. Even after 50 years of Independence, there is a shortage of 29 lakh beds in our country. We have been able to provide only 7-8 lakh beds and that too in cities, whereas 70 per cent population of India live in villages. Even today, doctors do not like to be posted in villages. It's main reason is that even after 50 years of Independence, past Governments could not provide adequate facilities in villages. We have no dearth of doctors in the country. I would request the hon. Minister of Health and Family Welfare to provide health facilities in villages so that poor persons could also avail the benefit of health services. The people living below the poverty line should be provided primary health services free of cost and adequately. We take cue from Western countries and spend indiscriminately on advertisements, whereas the need of the hour is to diagnose and eliminate fatal diseases like malnutrition, cancer, T.B. etc. I would also submit that research work should be undertaken in *Ayurveda* (Indian system of Medicine) and this system should be encouraged. The poor person can not afford Allopathy system of medicine and if *Ayurveda* is given encouragement, every citizen of our country can avail the benefit of this system of medicine. I feel this is cheap as well as good from health point of view. Therefore, it should be made available in the whole country.

Finally, I congratulate the Government particularly the hon. Minister of Finance for presenting a development-oriented and pro-poor budget. I hope that the Government will consider the points and suggestions given by me and this budget will create self-confidence among farmers and the Government will provide them every possible assistance. I again congratulate the Government for presenting a development-oriented and purposeful budget despite economic sanctions by the so-called developed countries.

*SHRI ASHOK PRADHAN (Khurja) : Mr. Chaiman, Sir, I am thankful to the House for giving me an opportunity to participate in the discussion on General Budget. This is for the First time that special thrust has been given for agriculture and rural development. If India has to carve out a special niche for itself in the world economic order, agriculture and rural development has to be accorded priority. Those who evaluate the economy as per the

Bombay Stock Exchange index, would definitely be disappointed at this budget. I wish them not be disappointed by it.

Sir, currently there has been a lot of criticism of this Budget particularly in the English Press. But I can definitely say that this very criticism in the English News papers is the applause for this Budget. I do not know why they praised this budget in the beginning but gradually as they realised that they were mistaken, they turned anti-budget, which is not at all desirable.

Sir, I want to say that from the day we became independent, our economy faced a problem and that problem is that we have been labelling our economy the way we liked. We had great respect for Gandhiji when we got independence and we dedicated ourselves to materialise Gandhian economy but we do not know what happened afterwards that we were disillusioned of it and we realised that we should adopt socialistic pattern of economy in place of Gandhian model of economy. Whatever economy pattern we had -Gandhian, socialistic or liberal, we always desisted from original thinking about our economic pattern and as a result of it now, we measure our economy with the foreign yardstick and this is why English newspapers are criticising one such budget which is the best budget ever presented in the last 50 years.

I hope when hon. Finance Minister presents his next budget, he would definitely give a new dimension and direction to our economy keeping in mind the exuberant wealth and assets, water resources, land, flora and fauna of this great country.

We have had to suffer a lot due to our often switching over to different patterns of economy. Why we are faced with this recession? Our entrepreneurship has come to standstill in the name of pursuing a socialistic pattern of economy for the past 50 years because not only in public manufacturing sector but also in private manufacturing sector, 90 per cent equity shares are with the Government. Now if the Government does not go in for the manufactured goods, the Indian industry gets panicky. Hence, the need of the hour is to give a boost and incentives to our indigenous entrepreneur.

Sir, now there are large and big companies and factories in our country manufacturing different goods and it is not possible that they should be exempted from paying excise duties. They must pay excise duty. Hon. Finance Minister's decision is very much expedient. However, there is a point that merits attention of the Government. There is a lot of inflation now-a-days and prescribing a ceiling of Rs. 50 lakhs annual turnover i.e. Rs. 4 lakh p.m. is not at all practical because even a small shopkeeper has this much annual turnover.

*Speech, was laid on the Table.

[Shri Ashok Pradhan]

Sir, everybody is in trouble now-a-days. I represent Khurja Parliamentary constituency of Uttar Pradesh. Noida, falling under my constituency is in the close vicinity of Delhi and has a larger number of small and big industries and the industrialists are in trouble there due to the imposition of excise. The entrepreneur of Noida sending tons of goods outside are in trouble. I have given them an assurance that we would try to redress their grievances by holding a meeting with hon. Finance Minister. Processing the edible/eatable goods are sold under the brand names and the turn over of Rs. 50 lakhs necessitates an entrepreneur to pay excise duty. This is not a big amount. Hence, I request hon. Finance Minister to enhance this ceiling to Rs. 2 crore. Entrepreneur with less than a turnover of Rs. 2 crore should come under the category of small industries and they should be exempted from paying excise duty. Entrepreneur with a turnover exceeding Rs. 2 crore should be liable to pay excise.

I hope that hon. Finance Minister will look into these points and take remedial steps for their grievances.

[English]

*SHRI VINOD KHANNA (Gurdaspur) : Sir, I would like to congratulate our Finance Minister, Shri Yashwant Sinha on presenting the Bharatiya Janata Party's maiden Union Budget. He had an unenviable task, having inherited a legacy of almost fifty years of inefficient handling of our economy.

As India enters the 21st century, there are many daunting challenges that face our great country. I believe that our Honourable Finance Minister has made a valiant effort to remedy the complex problems that face our nation. This Budget has provided a new thrust to our ailing economy by providing support in critical areas so as to catalyse growth, while displaying prudent fiscal management. Realizing that the economy had slowed down due to the absence of spending in the infrastructure sector and other core areas, the Finance Minister has sought to provide the needed impetus for the development of these crucial sectors.

Much has been said in support of the Budget, and I do not wish to repeat what has been stated. The essential areas addressed by the Budget are expansive, with the key features focusing on :

- Agriculture and Rural Development
- Small Scale Industry
- Private Investment in Industry
- Housing

- Infrastructure
- Education and the Youth
- Information Technology
- Finance and Capital Markets
- Non-resident Indians
- Public Sector Reform, and
- Direct and Indirect Taxes

Sir, I hail from the film industry, and now represent Gurdaspur in Parliament, which is a largely rural constituency. On the face of it, there cannot be two more diverse worlds, one that appears to be ethereal, and one, which is rooted solidly in the earth. Yet it is the film world that has taught me a lot. One of my earliest lessons being "Mera Gaon Mera Desh". As the film profession took me often to the hinterland of India, I realised that the essence and the future of India lie in its villages. So, I would like to concentrate on the provisions of the Budget dealing with agricultural and rural development, and the film industry.

Sir, I wholeheartedly endorse the view that if there is one sector that has the potential to bring about a higher plane of economic growth and development in India, it is the agricultural sector. In fact, it is an area that demands the attention of the world.

The world over we see a shift from surplus to scarcity. By the year 2020, the population of the world is expected to go from 5.7 billion to 8 billion, and food output will have to increase from 1.8 billion tonnes to 3 billion tonnes just to keep up with the growth in population. With existing trends however, it is expected that declining grain outputs will lead to a grain shortage of 286 million tonnes by the year 2020. Agriculture will in the future be driven by the need to get more from the same resources. With the world fish catch stagnating at 115 million tonnes and milk output stagnating at 387 million tonnes, we will have to get more output from the land than from the sea. Even from the land, 80 percent of growth will have to be through the intensification of outputs from existing lands, with an emphasis on multi-cropping, productivity, and a shift in focus to post-production operations.

India is the third largest agriculture produce in the world, being the largest producer of tea, sugar, fruits, vegetables and milk, and the second largest producer of rice. Yet, we have the largest wastage in the world. Thirty per cent of our fruits and vegetables and eight per cent of our cereals get wasted. Our food output is lagging behind our population growth, and to feed our increased population in the year 2020, we will have to increase our food output by 66 percent over our current output.

*Speech was laid on the Table.

In this scenario, I applaud Shri Sinha for giving due importance to the agricultural sector in his Budget, which is in line with our National Agenda of doubling food grain production, as stated by our Honourable Prime Minister, Shri Atal Bihari Vajpayee.

Plan allocation to the Ministry of Agricultural has been increased by 58% and that for the Watershed Development Programme has been increased 31% the allocation for Accelerated Irrigation Benefit Programme has also been increased by 58%.

Sir, during my election campaign, an issue was made of a non-issue. It was falsely alleged that I did not even drink the water of Punjab. Sir, I relish the water of Punjab, and I believe that we are much more fortunate in Punjab than many of our brothers and sisters in the rest of our motherland, who are compelled to drink putrescent water. In the circumstances, I laud the allocation of Rs. 1627 crore for rural water supply which is to benefit one lakh habitations.

I fully endorse the marginal increase in the price of urea to protect the long-term health of our soil by restoring the balance on the use of nitrogenous, phosphatic and potassic fertilizers.

The Finance Minister may, However, consider exempting imported Naptha from the levy of 8% special, non-modvatable, additional duty of customs, as Naphtha is the basic raw material for the production of fertiliser industry. This eight per cent levy on Naphtha will lead to a cost push effect and effect domestic industry adversely, and in the long term will also impact the agricultural sector. I therefore urge the Finance Minister to kindly consider providing exemption to Naphtha from the levy of 8% special, non-modivatable ADC.

I commend the multi-pronged boost to rural credit in the Budget.

Sir, I believe that there is tremendous scope for improvement in our agricultural sector. Our potential is enormous. We can increase our output by 900 million tonnes per annum, which is worth US \$ 78 billion, and is 150% of our current produce if we attain the same levels of productivity as our neighbours in China. We can generate 12 crores of additional employment from wasteland development alone. And we can increase our exports by Rs. 10,000 crores through the processing and export of the 30% wasted fruits and vegetables.

Sir, I have seen for myself that our farmers are as hard working as, if not more so, than those anywhere in the world. While they form the bedrock of our society and our economy, they have unfortunately not received the support they deserved from successive governments over the last fifty years or so, I, therefore, would once again like to congratulate our Finance Minister on giving due importance to agriculture sector.

Sir, while the film industry is extremely thankful to the Finance Minister for having considered some of its long overdue demands, on behalf of the film industry, I would like to bring to the attention of Shri Sinha a few anomalies. The film industry feels that additional customs duty of 8 per cent should not be levied on the import of positive and negative raw film as raw film is not manufactured in India at all, but is imported to the country. Similarly, the film industry urges that no additional customs duty of 8 per cent should be levied on the import of motion picture cameras, digital recording and mixing machines and laboratories' printing machinery as none of these items are manufactured in India.

Sir, Whereas customs duty on Jumbo roles of colour positive and negative raw film has been reduced from 25 per cent to 10 per cent, we request you to instead apply this reduction in duty to finished roles of 1,000 ft. or 400 ft. each, as Jumbo roles are not imported into India.

Sir, the film industry is also hopeful that measures will be taken to rationalise the contradictory interpretations by the income tax authorities as regards Section 80 (II) (C) of the Income Tax Act. The film industry urges that income from the export of the Indian films be exempt from income tax, as is income from other exports.

Sir, with these words, I, once again, commend the Finance Minister on the Budget he has presented.

15.00 hrs.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Mr. Speaker, Sir, I rise to reply to the discussion which has taken place in this House, spread over the last three days. But, before I proceed with the discussion on the Budget, I would like to respond to a very important issue which the hon. Member, Shri Natwar Singh has raised. Though it is not within the jurisdiction of the Ministry of Finance, Still on behalf of the Government I would like to assure the hon. Member and the entire House that Kashmir is an inalienable part of india, will remain so and that there is no way in which anyone can coerce India into discussing Kashmir in any other forum except bilaterally with Pakistan. That is the policy of the Government and that will continue to be the position of the Government of India.

Mr. Speaker : Sir, we left this House this morning at 3.00 o'clock. The discussion on the Budget continued. Some really interested, faithful Members who wanted to express their points of view on the various aspects of the Budget stayed on, including some very senior leaders like Shri Motilal Vora.

SHRI P. SHIV SHANKER (Tenali) : When you said, 'some faithful hon. Member's, do you mean others are not faithful?'

SHRI YASHWANT SINHA : No, I did not mean it.

SHRI MURLI DEORA (Mumbai South) : The others are more faithful as they were watching it on television.

SHRI YASHWANT SINHA : We carried on a long discussion. About 56 hon. Members of this House have taken part in the Budget discussion. I am grateful to each one of them for the interventions that they have made. I am particularly grateful to the Members of the Opposition for the positive aspects which they have identified and appreciated in the Budget. I am very grateful to the Members of the Treasury Benches that they have picked on the weaknesses of the Budget and pointed them out in this House. This has been the spirit in which this Budget has been discussed in this House, which is extremely encouraging for me.

Sir, we got off to a very impressive start by Shri Murl Deora opening on behalf of the Congress Party. I listened intently to what he had to say for almost an hour. I found that when he took off, he had on board our friends from the Left who kept on appreciating, applauding and praising the remarks that he was making until he ditched them midway. And, when he started supporting some of the other aspects of the Budget, the Left kept quiet and they disassociated themselves from the approach which he was enunciating on behalf of the Congress Party.

SHRI INDRAJIT GUPTA (Midnapore) : Then the Right took over.

SHRI YASHWANT SINHA : Yes.

We had a brilliant intervention from my immediate predecessor, Shri Chidambaram who kept the House spell-bound for nearly 60 minutes. Everyone listened to him with rapt attention including myself and I have taken copious notes of the points which he has made. I have taken copious notes of the points which have been made by all the hon. Members, and as I proceed it will be my endeavour to cover as many of the points which have been made as possible within the time at my disposal. While I say, Shri Chidambaram made an absolutely superb speech, the danger of the immediate predecessor speaking on the Budget of his immediate successor is always a little dicey. I recognised it and, therefore, when I was the Finance Minister for a brief period and Dr. Manmohan Singh succeeded me, I was the Member of the other House. I never intervened once in the Budget debate.

I go on to the philosophy and the other issue which Shri Chidambaram has raised, but I will refer to two issues right in the beginning because I found that he was trying to take some mileage out of these two issues which really when I enquired into the matter, I found that they were not perhaps the issues on which he should have tried to take that mileage.

He is not present in the House now. He had come to me after his intervention and he had told me that he had some urgent preoccupation in Chennai and he might leave. One of the issues on which there were cries of 'shame, shame' from the Opposition benches was the issue of handlooms. Shri Chidambaram told the House that 84 lakh people were engaged in the handlooms sector; that that was one of the most important sectors and; that I had reduced the allocation in the Budget for the handlooms sector. I have checked it up in the expenditure statement of this year's Budget. I find that the only Head under which the handlooms budget has been reduced is the Head of Janata Cloth Scheme where the allocation has been reduced from Rs. 30 crore in the RE of previous year to Rs. 10 crore in the BE of this year. When I went into the detail I found that this reduction became possible because the Janata Cloth Scheme which was subsidised by the Government was closed down when Shri Chidambaram was the Finance Minister. I could not have made provision for a scheme which he had closed down. When I deduct that Rs. 20 crore, I find that there is absolutely nothing in the Budget provision for the handlooms sector on which anyone could take any exception.

The other point which he raised — on which my friend Shri Baalu immediately got up and demanded that the Finance Minister must immediately explain the position — was the case of the Infrastructure Development Finance Corporation (IDFC), which Shri Chidambaram had set up when he was the Finance Minister. He said that though he located the headquarters of this institution in Chennai, the Board meetings were being held mostly in Mumbai. He was very angry. He asked as to why this was happening. He told me that I must do something immediately. I have checked up on the facts. The first meeting of the IDFC was held on the 5th of February, 1997. Until February, 1998, a period of 12 months, eight meetings of IDFC Board have been held, all this during the period when Shri Chidambaram was the Finance Minister. Except one meeting which was held in Chennai, all the other meetings have been held outside Chennai - six of them in Mumbai and one in Delhi. There is only one meeting which was held in May after I had taken over and that was held in Mumbai. I am told, without any intervention from my side, that the first Annual General Meeting of the IDFC is taking place on June 26, at Chennai. I have nothing to do with it. I do not claim any credit for it. They had already taken that decision. But the fact for which I will take credit before this House is that I have instructed the IDFC that they must, as far as possible, hold all their Board meetings in Chennai in future.

SHRI T.R. BAALU (Madras South) : It was not a question of holding the meetings at Chennai. The question was of having the headquarters located at Chennai. My

point was whether you were going to have the headquarters of IDFC at Chennai or not.

SHRI YASHWANT SINHA : It is already located in Chennai.

As I said, the positive features of the Budget have been appreciated even by Members of the Opposition for which I am extremely grateful. But, some aspects have been strongly criticised. When my friend Shri Murlī Deora was speaking on the Budget, he even read out from some media reports in the House on what somebody has said and some other commentator has said about this Budget. I have been left wondering. "After all, what is it that I have done in this Budget that I am being subjected to all this criticism?"

What is it? It has not taken me long to find the answer. The criticism is, Sir, it arises from the fact that I have tried to establish a balance in this Budget. Shri Chidambaram told me, "You should never talk of reforming the reform process. We have talked of reforming the reform process and we shall continue to talk of reforming the reform process until the reform process is reformed. And the criticism that I am facing as the Finance Minister of this country, of this Government arises out of the fact that we are trying to reform the reform process."

I have heard the debate which had taken place and which had again spread over three days on the problems faced by the farmers of this country, the suicides which they were committing. This House spent three precious days discussing that very very human and important issue. While delivering my Budget Speech, I said, it would be the endeavour of the Government to ensure that no farmer committed suicide, no farmer even went to jail for this.

Now, what is the commentary that I received. In one of the papers - I will draw the attention of Shri Maran, I will not name the paper, and I will not name the author - this is what the author has to say. I quote:

"If you sit back with your eyes closed during the early part of Mr. Sinha's speech, it could well have been Mrs. Gandhi holding fort."

It is very flattering for me to be compared to that great lady. When I am quoting, this Government is determined to create conditions so that no farmer goes to jail for a loan repayment default. Now, what is the further comment? Why a farmer on earth should be put above the law? I would like the House to take note of it. Never mind the survey across the length and breadth of the country would be hard put to come across many instances of anyone, least of all a farmer rotting in jail, because of non-payment of bank dues. They may be in jail for umpteen other reasons, but non-payment of bank dues is not one of them. This is the mindset. You talk about the farmers in this

House, you will not be understood - I am not talking of this House, I am talking of outside, you will not be understood - it will not be appreciated, because I tried to establish a balance in this Budget. Balance of what? The balance was between agriculture, between rural development, between rural employment, between small scale industries, between housing, especially on the rural sector, between infrastructure, between something for the NRIs on the one hand and tax reforms, financial sector reforms, capital market, PSU's reforms, insurance, promotion of foreign direct investment on the other. This is the balance that I was trying to establish in this Budget and that is the reason why this Budget is being rubbished. I would like to say with all the emphasis at my command, Sir, that whatever be the criticism, as I said, in my Budget speech, if we have picked up the flag in our hand, nothing shall daunt us, we shall continue to march forward because that is the direction, that is the goal in which the Government would like to take the country.

There is no way in which we shall, as in the past, neglect the interests of rural community in order to please some other sections of society. It has been said, there is no focus. It is so because it is a balanced Budget. If it was imbalanced, then there would have been a focus. It has been said, it is a pedestrian Budget because I have talked of a common man in this Budget. Therefore, it is a pedestrian Budget. I accept the criticism. Shri Maran is not here. While quoting some newspapers he said that it lacks vision.

It is because other people have put on blinkers, that is why my Budget lacks vision.

Sir, there is a philosophy and this philosophy is not something which we crafted in the Budget. This is the Philosophy on which all of us on this side of the House have been working for a long time. We have had our differences with the seven years of the reform process and I am making absolutely no secret of it.

When I was listening to Shri Bhajan Lal speaking from here on behalf of the Congress Party, with the best intention and best will in the world, I could not differ with him because he was talking of the *Kisans* of rural India, of rural development and saying all kinds of things which we have been saying when we were in the Opposition. Now, we always said and this is what we have reflected in our national agenda of governance that we shall proceed with reforms, we shall proceed with liberalisation. But the sequencing of the reform process is very very important and proper sequencing, as we understand it, enjoins upon us to first open up the internal economy. We must remove all those constraints in regard to the internal economy which still exists and thereafter we are saying, we must calibrate globalisation. Calibrated globalisation, this is what

[Shri Yashwant Sinha]

we are saying. We are against mindless globalisation and I would repeat it once again that that will continue to be our policy.

Shri Chidambaram also made the point that what is the philosophy of this Budget. You cannot spend your way to growth. You cannot achieve prosperity by spending. He said, 'investments must be encouraged'. He was quoting his predecessor, Dr. Manmohan Singh in support of his thesis. I agree with him. I have no difference in approach. He tried expenditure, he tried to spend his way to growth but that is not the way I am planning expenditure in this Budget. It is not consumption expenditure which I am increasing like Shri Chidambaram did. It is investment expenditure in this Budget which I have enhanced significantly, considerably.

I have said, Sir, if I could quote from my Budget Speech Briefly, that 'as far as infrastructure is concerned, it is not merely the Government expenditure to provide a strong stimulus to infrastructure in larger public and private investment in these sectors' but also I recognise the role of investment. I recognise the role which investment must play in growth, both public as well as private, and that is the approach in this Paper. It is not consumption expenditure of which I am talking. When I have increased the plan to Rs. 72,000 crore, which is an all time high, I am not talking of consumption expenditure when I have increased the expenditure over infrastructure, I am not talking of consumption expenditure. When I have increased expenditure over the rural infrastructure, I am not talking of consumption expenditure. Something like 10,000 to 15,000 crores of rupees worth of additional money is going to flow into the rural areas as a result of this Budget and that is going to generate demand.

What is the philosophy of this Budget? The philosophy of this Budget is that demand must be generated in order to give momentum to this economy and that demand will come from sectors where the largest number of our people live, from the rural areas. If the rural areas do not generate demand, there is no way in which only urban India, industrial India can go forward at the cost of rural India. Therefore, I have taken all those steps. It is not merely good social policy, it is good economics that demand must be generated. It is only when that kind of demand is generated that the investment demand will be generated. It is when that sector does well that we will be able to do well on the export front. That is the approach in this Budget.

Shri Murlidhar Deora was very concerned and generally, I am also concerned at what was happening to the Bombay Stock Exchange.

No Finance Minister makes the Budget for the Stock Exchange, he makes the Budget for the people of the country. I am not disregarding the Stock Exchange. Mind you, I am not one of them. I do not believe in what one of my predecessors had said. ...*(Interruptions)*

SHRI MURLI DEORA (Mumbai South) : I had talked about the entire capital market of India and do not say, 'Mumbai Stock Exchange'. The capital market is not confined to the Stock Exchange only. You know that. ...*(Interruptions)*

SHRI YASHWANT SINHA : I will come to that.

Sir, I was looking at the figures. I am sure that my friend, Shri Murlidhar Deora must be equally aware of them because he represents Mumbai. What has been the position in the last five years? After each Budget, there has been a steep decline in the Sensex. After each of the four Budgets of Dr. Manmohan Singh and one of Shri P. Chidambaram, the Mumbai Sensex went down like anything. It was only once, in all these five, six years, only once, after Shri Chidambaram's famous 'dream Budget' of last year, the Sensex went up. Sir, I would prefer to be in the company of Dr. Manmohan Singh than in the company of Shri P. Chidambaram. I would like that the year should end as well as those years ended rather than the year of the famous 'dream Budget' when the Sensex went up immediately after the Budget. I have great regard for Dr. Manmohan Singh. I had disagreed with Dr. Manmohan Singh then also when he said, 'I do not lose my sleep over the stock market.' I worry about the stock market. I am concerned with the stock market also among other things. And, therefore, Sir, in the Budget, we had outlined a number of steps to improve the capital market. Did I not say that we would bring a law to bring trading in derivatives possible? I said it in my Budget speech. On that day, immediately after I read my Budget speech, I had also tried to find out what had depressed the market. That was because I did not say anything about buy back of shares. That is what it was. Now, my predecessor, Shri P. Chidambaram had made a mention of this. He said that the then Government was committed to buy back of shares. That Government went without implementing that. ...*(Interruptions)*

[Translation]

SHRI MULAYAM SINGH YADAV (Sambhal) : Let us know what was the quantum loan during Sh. Chidambaram's tenure and what will it be now.

SHRI YASHWANT SINHA : I come to that.

[English]

Now, Sir, as far as buy back of shares is concerned, I am in touch with my colleague. When Shri P.

Chidambaram was the Minister of Finance, the Company Law Board was under his charge. It is now with my colleague, the Law Minister. I am in touch with the Law Minister. I did not want to repeat an empty promise in this Budget. There was no point because my predecessor had already said it in the last year's Budget. Therefore, Sir, as far as buy back of share is concerned, we will take a view in consultation with my colleague, the Company Affairs Minister because it lies within his jurisdiction and he must be consulted in the process. So, it is nothing, I mean, we are not doing anything to artificially depress the market just as we will not do anything to artificially prop up the market. The market has its own discipline. The market behaves in its own way.

The other point which was made was in regard to the assumptions made in the Budget. Various hon. Members said, 'You have made assumptions. You said that you are going to spend more money but it is not going to come true.' This was the criticism which was made. I am surprised that among others, Shri P. Chidambaram also made that criticism. Here I have got some figures. He said, 'Shri C. Subramaniam, when he was the Finance Minister and presenting the Budget, had very proudly presented the Budget which had crossed Rs. 100 crore because in those days Rs. 100 crore had a meaning.' He said that Shri Yashwant Sinha is the first Finance Minister, who is presenting the Budget which has crossed Rs. 1 lakh crore as far as the Central Plan was concerned. He went on to say, 'But he is not going to achieve it.'

Then, let me come to Internal Extra Budgetary Resources (IEBR). IEBR is an important part of the Central plan in every year. I have been looking at the figures. Every year, there has been a shortfall. In 1991, it was 5.7 per cent. Then it came to 6.1 per cent and 10.4 per cent. It was 5.0 per cent in 1994-95. It was 8.2 per cent in 1995-96. It was 1.28 per cent in 1996-97. It was 14.9 per cent in 1997-98. In the last dream Budget of Shri Chidambaram, the shortfall on the IEBR fund was almost 15 per cent. He said that because there was a shortfall on the IEBR, your figures would also not be achieved. Now I cannot buy that argument. In these two years of Shri Chidambaram, the IEBR was 12.8 and 14.9 per cent. I know he faced difficulties. He himself said in this House that there were two Governments; one Government came and went and the other Government came. His whole plan was disturbed. I am not blaming him. But I would like to assure the House that the plan that we have made and the plan projections that I have put before this House are something we have every intentions of achieving. I would go personally after the PSUs which have to raise these international extra budgetary resources. Sir, there will be a personal monitoring at my level to make sure that they do get these resources which we have put for them in this Budget and

I am quite confident that the kind of abysmal performance which has preceded in the last two years will not be repeated this year.

Again you might say that I have depressed the expenditure and I have raised the revenue. I have again looked at all these figures carefully. Now I must make my projections. Every Finance Minister has the right to make projections and the House has the right, the country has the right and the people have a right to judge whether those projections are genuine, realistic or not. I would like to tell you there have been shortfalls. In 1993-94, Dr. Manmohan Singh, presented a Budget where he said that the fiscal deficit would be of the order of 4.6 per cent. What was the fiscal deficit at the end of the year? It was 7.4 per cent. Things went wrong. He could not control the situation. So the fiscal deficit went way beyond 7.4 per cent. Shri Chidambaram had said last year that he would control the fiscal deficit at 4.5 per cent. There were circumstances beyond his control. He could not do anything and the fiscal deficit had gone up to 6.1 per cent. Now I will take the fiscal deficit at 5.6 per cent. I could have also gone back to 5 per cent. I could have impressed a number of rating agencies and international investors by saying that it is going to be five per cent. I could have gone back to that. But I wanted to be realistic and that is why, I have fixed it at 5.6 per cent. And I intend not only to keep it there but also I want to improve upon that performance. If 5.6 per cent at the end of the year becomes six per cent, I will be a very sad person. But if it goes back to 5.3 to 5 per cent, then I will come before this House and say we have been able to do well. That is the kind of approach that I have in this Budget.

I had looked at the expenditure GDP figures. I have looked at the tax GDP figures and there is nothing absolutely to suggest that any of these figures are unrealistic. I will not take the time of the House in repeating those figures.

Now in the debate, every Member, who spoke from the Opposition parties and some from this side, expressed concern in regard to sanctions. What is going to be the impact of sanctions? How are we going to meet the challenge of sanctions? This is what was pointed out. I have some figures. I again do not want to blame anyone. But I would like to say that there was a pressure. The rupee, the capital market and every other issues have been raised. Why did the rupee come under pressure? Why did the capital markets depress?

Sir, if we have globalised our economy in the last seven years, if we have gone global then I have said this in the other House than we cannot just say that we will take whatever is beneficial to us and we will reject what is adverse. We have to take the good with the bad.

[Shri Yashwant Sinha]

Is it because of my Budget that the Hangseng in Hongkong has fallen? Is it because of my Budget that the Yen has touched an all time low against the dollar, to 146 Yen? It was less than 100. Shri Natwar Singh would remember that there was a time when the Yen was against the dollar and it had come down below 100 Yen per \$. Today it has gone up to 146. East Asia melted down. We are all aware of what happened and what is happening to East Asia. If we are a global economy, all these things are going to impact upon us. They will create pressure and we will have to find solutions to them. It was not because of sanctions alone that this is happening. It is because of a very peculiar situation obtaining in East Asia.

MR. SPEAKER : Shri Yashwant Sinha, one minute. Hon. Members, at 3.30 p.m. the House has to take the Private Members' Business and Resolutions. The reply of the Finance Minister is not yet completed. If the House agrees we shall take up the Private Members' Business after the House passes the Demands for Excess Grants and the Appropriation Bills. Please continue, Mr. Minister.

SHRI S. JAIPAL REDDY (Mahaboob Nagar) : I suggest that the Private Members' Business may be taken up after the Discussion under Rule 193. We have been waiting for so many days. You were good enough to include it.

MR. SPEAKER : Shri Jaipal Reddy, please understand. There is no time for the Discussion under Rule 193 now. It will remain alive for later consideration in consultation with the BAC.

SHRI S. JAIPAL REDDY : No, no, you have made a solemn promise to discuss it, after what happened in Maruti.

MR. SPEAKER : Please continue, Shri Yashwant Sinha. Shri Jaipal Reddy, you must understand.

SHRI S. JAIPAL REDDY : What is the difficulty? We can go back to the discussion after one hour.

MR. SPEAKER : Let the reply be complete:

SHRI BASU DEB ACHARIA (Bankura) : After the reply is over the Discussion under Rule 193 should be taken up.

SHRI YASHWANT SINHA : I was saying that there have been pressures on the rupee. Shri Deora will recall that in February 1996 the rupee had touched a level of Rs. 38 to a dollar; Rs. 38 to a dollar in February 1996. We were aware of the pressure which was created on the rupee as a result of East Asian melt down in November 1997. We are aware of the steps and measures the UF Government had to take in January 1998 in order to arrest the decline. Shri Jaipal Reddy a Member of that Cabinet

is sitting in the House. These things happen and it is the duty of the Government of the day to ensure that orderly conditions prevail and I would like to assure this House and, through this House, the people of this country that this Government is all determined both to maintain the stability of the currency as well as the stock market. We will do whatever it needs to be done in order to ensure that.

I would like to point out one thing. The risk premium at the secondary market has jumped by about 200 to 250 points following the East Asian prices. It had jumped, however, by about 100 points after the imposition of the sanctions. But it is now running by about 50 basic points compared to March 1998.

A question was raised about the sanctions. My colleague the Commerce Minister said that I would deal with in reply to the Budget debate. The sanctions have been imposed. But the only country in the world which has imposed sanctions is the U.S.A. No other country has imposed sanctions. Other countries for their own reasons may have deferred or frozen the overseas development assistance that they extend to this country. But no other country has said that it was imposing sanctions on India.

It is only the United States which has a law which makes it mandatory for them to impose sanctions and the U.S. has imposed that sanction. But the U.S. has not, till date, defined the scope of that sanction. Now, when I am told have I not factored the sanctions into my Budget, then what do I do? What was the choice before me? The choice was that I could have gone to the hon. Prime Minister; I could have come before this House and I would have said that I am postponing presentation of the Budget until the U.S. defines the scope of its sanctions; until the other countries make clear how they are going to deal with us, and, then, I will come with my Budget. ...*(Interruptions)*

SHRI SHARAD PAWAR (Baramati) : No one wants to postpone it.

SHRI RAJESH PILOT (Dausa) : You could have a contingency plan. ...*(Interruptions)*

SHRI YASHWANT SINHA : I am saying that I have been asked why I have not factored the sanctions in my Budget. I could not have. There was no way in which I could have because none of my budgetary figures are going to be affected by either U.S. sanctions or because of deferment of the loans temporarily by any other country. Everyone knows that we have a long pipeline.

[Translation]

SHRI LALU PRASAD (Madhepura) : Your budget envisages to usher in Ram Rajya. But let us know how?

[English]

SHRI YASHWANT SINHA : I will elaborate it while concluding. I would like to assure the House, through you, Sir, that there is nothing which could have compelled me to factor the impact of sanctions or the deferment of loans in this Budget because no on-going project has been stopped and all the disbursements are going on as usual. Yes, I have said, 50 basis point. Some Impact might be there after the sanctions are defined on commercial flows and I will take care of that.

I would like to say to this House, through Sir, When the sanctions come, when the world unites to make life difficult for India, then will that be a time when we shall be divided between the Treasury Benches and the Opposition? Would not this nation stand up as one person and face the challenge which the world shall throw upon us? That is the way in which this country shall face the question of sanctions.

Now, it has been pointed out that this Budget is inflationary.

[Translation]

Prices will shoot up. They have already increased.

[English]

Now, those who know about these things would know that there are various factors which affect the rate of inflation. One of them is a supply of money, M-3 as it is called. Unfortunately, last year, it went up beyond the target which had been fixed. It grew by something like 17.5 per cent. We all know that M-3 impacts with a lag and that lag may well be there this year. I am not denying it. ...*(Interruptions)*. This year, as far as M-3 growth is concerned, we are determined to keep it at the target level of 15 to 15.5 per cent. This is about M-3.

Then, I will come to growing rate of wholesale price. It has gone up. It was something like 5 per cent; now it has gone up to about 6.5 per cent. I have gone into the whole question in some detail. I find that there are two items which have contributed to this growth in inflation, that is, vegetables and fruits. Why only vegetables and fruits? Potato alone has gone up by 315 per cent. Kumari Mamata Banerjee was making that point yesterday.

Yes, 315 per cent because it had been a bad year. We all know, we are aware of the unseasonal rains, the continuance of the cold spell, as a result of which these produces have been affected and as a result of which the prices have gone up. But the beneficiary is the *kisan* of the country. Yes. ...*(Interruptions)*

SOME HON. MEMBERS : No.

SHRI YASHWANT SHINA : Yes.

AN HON. MEMBER : Beneficiary is the middleman, not the farmer.

SHRI YASHWANT SINHA : Sir, last year there was a glut of potato crop. The potato crop has rotten in the fields. The farmers ran from pillar to post. They did not get the proper price. They suffered huge losses. But then this is seasonal.

AN HON. MEMBER : Last year potato was selling at Re. 1 per kilogram.

SHRI YASHWANT SINHA : Yes, sometimes the farmer loses because there is a glut, sometimes the farmer gains because there is short supply. This is what has happened. I have carefully looked at the rate of inflation and the commodity price index and I would like to assure the House that apart from fruits and vegetables and some edible oils, there is absolutely nothing in the rate of inflation which suggests that there is a secular growth upward. There is no secular growth.

SHRIMATI GEETA MUKHERJEE (Panskura) : Excuse me, Shri Sinha.

SHRI YASHWANT SINHA : I am not yielding, Madam, I lose my chain of thought.

SHRIMATI GEETA MUKHERJEE : Have you consulted Mrs. Sinha about the daily expenditure?

SHRI S. JAIPAL REDDY : He will not consult her. She belongs to our party.

SHRI YASHWANT SINHA : Sir, there is nothing which points to a general direction in rise in prices. These are seasonal factors. We will get over them and we will keep the prices under control.

It has been pointed out by many Members that the Budget is anti-farmer. How is it anti-farmer? We have not looked at the whole slew of schemes that I have proposed in the Budget for the farmers. I have a small note here from a report which said that a very eminent scientist, Shri M.S. Swaminathan, while talking about this Budget, had said that: "This Budget will impart growth to the rural economy, to agriculture." That is his opinion. He does not belong to the BJP or to the ruling coalition.

Now, why am I being criticised? One point was picked up, that is, urea. In deference to the wishes which have been expressed by the Members on this side and in deference to the wishes of Shri Muri Deora who has some potted plants in his apartment in Mumbai, the Government has decided to withdraw even that 50 paise per kilogram which was there. ...*(Interruptions)*

[Translation]

SHRI SATYA PAL JAIN (Chandigarh) : Rajeshji, you should cheer and clap now. ...*(Interruptions)*

AN HON. MEMBER : This increase has been withdrawn because of us.

SHRI NARENDRA BUDANIA (Churu) : This has been withdrawn in the face of opposition by the farmers. We welcome it. ...*(Interruptions)*

PROF. PREM SINGH CHANDUMAJRA (Patiala) : At least they have done it. They should be felicitated for it. ...*(Interruptions)*

SHRI AJIT JOGI (Raigarh) : If they accede to our demands, there would be clappings like this. And if they do not accede, there would be no clappings. ...*(Interruptions)*

[English]

SHRI YASHWANT SINHA : Sir, I can understand the discomfiture of some sections in this House but we decided that we would not let that small, little thing remain between a pro-farmer budget and us and, therefore, we have taken this decision in the larger interest of the farming community. ...*(Interruptions)*

[Translation]

SHRI LALU PRASAD (Madhepura) : You have given no concession. You have withdrawn what you increased due to pressure exerted by us. ...*(Interruption)*

SHRI MULAYAM SINGH YADAV : You have extended no benefit. You have withdrawn what you increased. ...*(Interruptions)*

SHRI DIGVIJAY SINGH (Banka) : Mulayam Singh ji, they have introduced credit cards which was not provided by any other Govt. At least, you should say it. ...*(Interruptions)*

[English]

SHRI RAJVEER SINGH (Aonla) : Mulayam Singh ji, have you gone through the budget?

MR. SPEAKER : Shri Rajveer Singh, please sit down. ...*(Interruptions)*

SHRI YASHWANT SINHA : Mr, Speaker, it has also been said that the Budget militates against the interest of the common man. Now, I can anticipate that the definition of the common man might vary, but there are whole lot of things in this Budget. The first thing is micro-banking. Why have I given so much importance to micro-banking in this Budget? Because it was not possible for the common man, the common person in the village to go and secure

a loan of Rs. 500. I know of people in the area in which I live. There are widows and other women who would work during the day, who would go from field to field to collect vegetables and sell them in the nearest urban conglomerate, but they will not get Rs. 500 to buy vegetables. There are artisans, there are craftsmen and there are weavers who want to buy tools and set up their own little shop and workshop, but they will not get Rs. 2,000 or Rs. 5,000 from the bank because they do not have any *maan-baap*. That is why, I have introduced this concept of micro-banking.

I have said that we will do it through self-help groups. I know that it is not physically possible for any bank to have so many people who can go into every rural area. So, we will organise them. Sir, I call upon all the Members of this House that when they go back to their constituencies, they should talk about this scheme of self-help groups. Let us form those self-help groups. Let us involve the NGOs. Let us set up new NGOs so that the poor people, the common people in the villages and rural areas. ...*(Interruptions)*

PROF. P.J. KURIEN (Mavelikara) : There is nothing new. This is something which we are having from the time of Indiraji.

[Translation]

SHRI LAKSHMAN SINGH (Raigarh) : There is nothing new in it. It is already in practice in Madhya Pradesh. ...*(Interruptions)*

[English]

SHRI YASHWANT SINHA : Sir, nothing is ever new. This is something which we want to push forward in a very big way. Somebody was saying that there was nothing big in this Budget. He said so because this is something which will not appear to be big. If two lakh families are covered in the rural areas, it may not be big for them; it is big for me, it is big for us. Therefore, this is what we are doing.

Regarding safe drinking water, our Government has assured this House with all the emphasis at our command that we shall see that there is not a single village in this country which does not have potable water in the next five years. We wish to attack this problem as strongly as possible, and ensure that we provide drinking water. ...*(Interruptions)*

[Translation]

SHRI NARENDRA BUDANIA : You are in power in Rajasthan and people are dying for want of water. They have no drinking water. They are in miserable condition. ...*(Interruptions)*

[English]

SHRI YASHWANT SINGH : This is because the than Govt. of India did not provide funds for it. ...*(Interruptions)*

SHRI SANSUMA KHUNGGUR BWISWMUTHIARY : Sir, I would like to draw your attention in this regard. ...*(Interruptions)*

MR. SPEAKER : Please do not do this. Please have order in the House. No more clarifications please.

(Interruptions)

SHRI YASHWANT SINHA : I am coming to that. We have had discussions on the suggestions that I have made in this Budget in regard to public sector undertakings.

SHRI SANSUMA KHUNGGUR BWISWMUTHIARY : You have scheme for providing drinking water etc. for rural poor people. ...*(Interruptions)*

MR. SPEAKER : He is not yielding. Please take your seat.

SHRI SANSUMA KHUNGGUR BWISWMUTHIARY : Where the State Government is not interested in providing that sort of a facility, what action will be taken by the Government of India? ...*(Interruptions)*

MR. SPEAKER : Nothing will go on record.

*(Interruptions)**

MR. SPEAKER : Shri Bwiswmuthiary, please take your seat. He is not yielding.

SHRI YASHWANT SINHA : Sir, when it came to public sector reform and when it came to insurance, it was exactly the point at which our friends from the Left Parties got off the aircraft of Shri Murli Deora because he was supporting these measures in the Budget.

SHRI BASU DEB ACHARIA (Bankura) : That was his personal view.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, I would like to say and I would like to assure Mamtaji also that it is not the intention of the Government to close any undertaking which can be revived and we shall do all that is within our power to make sure that closed undertakings are revived. In order to make that happen, in less than three months that we have been in office, we had already taken a decision to revive - Prof. Soz is not here; he was talking about Jammu and Kashmir - the Watch Unit of the HMT in Srinagar. We are spending Government's money to revive that unit. We have taken a decision to convert loans of Rs.791 crore into non-cumulative preference

*Not Recorded.

capital shares and give a fresh loan of a huge amount to revive the Visakhapatnam Steel Plant which was in difficulty.

KUMARI MAMATA BANERJEE (Calcutta South) : What about the modernisation of IISCO?

SHRI YASHWANT SINHA : That is also under our consideration.

Sir, we have restructured the main frame of the Computer Unit of the Electronics Corporation of India and I am personally looking into every case of a public sector undertaking where it can be revived. But I would like to plead before you that it has been said that a unit cannot be revived by all studies repeatedly carried out by independent people.

KUMARI MAMATA BANERJEE (Calcutta South) : It is the State Government.

SHRI YASHWANT SINHA : Yes. ...*(Interruptions)*. What do we do on that?

[Translation]

SHRI LALU PRASAD : Sir, I want to make a point.

SHRI YASHWANT SINHA : Why are you disturbing me time and again I never disturb you. Laluji I am speaking on what is in your interest only. ...*(Interruptions)*. Laluji you phase make your point afterwards. ...*(Interruptions)*

[English]

SHRI PRAMOTHES MUKHERJEE (Berhampore) (WB) : Mr. Speaker, Sir, the hon. Minister should make a comment on the National Textiles Corporation. ...*(Interruptions)*

MR. SPEAKER : Shri Pramothesh Mukherjee, he is not yielding. Please take your seat.

(Interruptions)

SHRI YASHWANT SINHA : Sir, we have offered a very interesting, a very attractive package to the workers. ...*(Interruptions)*

[Translation]

SHRI LALU PRASAD : Please listen to my point while sitting. ...*(Interruptions)*. If you keep on interrupting me, I will go there. Mr. Minister, I am helping you. You have promised to declare Calcutta and Chennai "A" class cities. Have you made provision for that in your budget?

SHRI YASHWANT SINHA : They have already been declared A class cities.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADANLAL KHURANA) : That has been done long ago.

[English]

SHRI PRAMOTHES MUKHERJEE (WB) : Sir, the Minister should make a comment about. ...*(Interruptions)*

MR. SPEAKER : Shri Pramotes Mukherjee, he is not yielding. Please take your seat.

(Interruptions)

SHRI YASHWANT SINHA : Sir, he has spoken. I have not spoken. I did not interrupt him. He was speaking last night. Did I interrupt him when he was speaking? Why is he interrupting me? ...*(Interruptions)*

MR. SPEAKER : Shri Pramotes Mukherjee, please take your seat.

SHRI YASHWANT SINHA : Sir, the point which I would like to make is that if a worker wants to work we have offered him a very attractive package for him. We all want him to work. Nobody is happy when we take the salary home to him and say: "there is no work for you, you just remain idle, sit at home and do not do any work." This is not the kind of society that we want to build and therefore, I had announced a package. Now we are trying to improve upon that package. I would like to take this House into confidence and inform the House that the Prime Minister has already appointed a Group of Ministers to go into that package to make it more attractive so that there is absolutely no problem and, wherever it is necessary, in public interest to take such decision keeping in view the interest of the workers uppermost in our minds, it is only in those cases that such a step will be taken. I would like to assure the House that we are not anti-worker in any way and it will be entirely wrong to suggest that.

SHRI YASHWANT SINHA : It is my privilege to yield to her. ...*(Interruptions)*

SHRI N.K. PREMCHANDRAN (Quilon) : You are always yielding to that side. Why are you not yielding to this side? ...*(Interruptions)*

SHRI SATYA PAL JAIN : She is a lady. She has been given the right. ...*(Interruptions)*

SHRI PRAMOTHES MUKHERJEE (WB) : Mr. Minister, I would request you to make a comment on the National Textile Corporation. ...*(Interruptions)*. People are dying of starvation. ...*(Interruptions)*

MR. SPEAKER : Shri Mukherjee, please sit down.

(Interruptions)

KUMARI MAMATA BANERJEE : Sir, they are spoiling the situation. ...*(Interruptions)*. Sir, I want to assure the hon. Members from Bengal. ...*(Interruptions)*

SHRI N.K. PREMCHANDRAN : Sir, who is she to assure us? ...*(Interruptions)*

KUMARI MAMATA BANERJEE : Sir, they have spoiled the situation. ...*(Interruptions)*

SHRI YASHWANT SINHA : Sir, on the question of exports, a number of Members made the points, Shri Murlu Deora also referred to it. He said that we are not giving importance to exports. I would like to inform the House that this is one of those rare occasions where the Exim Policy preceded the Budget. Normally, the Budget comes first and the Export-Import Policy comes later. Due to the peculiar situation obtaining this year, my colleague, the Minister for Commerce announced the Export-Import Policy first in April and the Budget came later in the month of June. A number of very significant steps have been announced in the Export-Import Policy. Exports are very important for us. Therefore, there is no way in which the topmost attention and priority will not be given to exports. In the slew of measures which have been announced by the Governor, Reserve Bank of India yesterday, export credit has been made cheaper and we are committed to doing everything which is within our power to see that India's exports pick up. It is not a fantastic news but it is re-assuring that as against minus ten per cent growth last year in April, this year, at least, there has been a positive growth of two per cent. As the year goes on, I am quite confident that we shall be able to do better on the export front with the kind of measures that we have in mind.

[Translation]

SHRI LALU PRASAD : Prices of cement and edible oil have gone up. The inflation has exceeded all limits. Someone should come forward to raise voice on behalf of poor people.

SHRI YASHWANT SINHA : We discussed this budget till 3 A.M. in the wee hours. You should have raised that point then only. ...*(Interruptions)*

[English]

SHRI LALU PRASAD : You should say something about inflation also. ...*(Interruptions)*

SHRI YASHWANT SINHA : Sir, every policy must be judged by its implementation. I agree with that. If we fail on the implementation front then this Budget will not succeed. ...*(Interruptions)*.

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK) : Sir, it is highly objectionable. Every now and then he is interrupting.

[Translation]

SHRI LALU PRASAD : You did not touch Kerosene oil. The rates of sweets have gone up. This Govt. fails to control inflation. Hence we walk out.

15.59 hrs.

(At this stage Shri Lal Prasad and some other hon. Members left the House.)

16.00 hrs.

[English]

SHRI YASHWANT SINHA : Sir, I will just finish in five minutes.

Sir, with a view to better implementation, what is it that we are going to do? I have said in my Budget Speech and I would like to draw the attention of this House once again that this whole concept of Plan and non-Plan, this whole concept of Capital and Revenue in our Budget is absolutely a distortion. Therefore, this need a fresh look. I have said in my Budget Speech that we propose to appoint a Task Force, which will look into the concept of Plan and non-plan and Capital and Revenue. We will have two 'Heads'. One 'Head' will be 'Development', and another 'Head' will be 'Non-Development'. This will clearly show the distribution of Government expenditure between development and non-development.

We have also said that there are a plethora of schemes that are Centrally-sponsored. We all, representing the people of our constituencies here, are aware of the fact that if you go and ask and officer in the field, he will not be able to name those schemes, much less implement them. Therefore, Sir, we have decided that we will adopt a uniform pattern. We will decentralise the planning process. There is no way in which anyone sitting in Delhi should decide whether a village should have a road first or a school building first or should have drinking water first or should have any other facility first. Therefore, this is a responsibility which must be given to the democratic institutions at that level, and we must have faith in those democratic institutions. Therefore, we wish to decentralise expenditure and we wish to decentralise the authority further. This also will be covered by the Task Force.

Then, there are a whole lot of employment schemes.
...(Interruptions)

MR. SPEAKER : Please do not disturb him. Please take your seat.

SHRI YASHWANT SINHA : We have decided that there will be two types of schemes-the self-employment scheme and the wage employment scheme.

Now, Sir, I will come to some other important things which I have to say. Many hon. Members have expressed

concern about the likely impact of the special additional customs duty of eight per cent that I have proposed in my Budget. Some Members have suggested that I should withdraw this levy, and some others have suggested that while it is desirable in principle, the incidence may be reduced, least it result in a significant rise of cost of production. I have also received a large number of representations from various sectors of trade and industry in this regard. They have generally asked that while the rate of special additional duty may be reduced to about four per cent at par with Central Sales Tax rate, the levy may be extended to traders as well. This is their suggestion. I am grateful for the views expressed by the hon. Members. I have given my very careful consideration to this matter taking into account the views expressed on behalf of various sectors of industry also. I find that the consensus is that while the levy is justified to afford a level playing field to the domestic producers the cumulative burden of duty at the rate of eight per cent may be a bit too high, especially in view of the development on the rupee front in recent days. In deference to the wishes expressed by the hon. Members and balancing the interest of domestic producers and the consumers, I propose to reduce the rate of duty from eight per cent to four per cent.

Sir, demands have also been made from some quarters for imposing this duty on traders. I am unable to do so for the simple reason that the justification for this levy lies in imposing duty where local taxes are not payable and traded goods pay local duty, therefore, I have decided to exclude them from this levy.

The exporters have also represented to me that the levy may affect their export effort. This is not my intention. As I have said, it is our policy to maximise exports. I have, therefore, decided that the special additional duty will not apply to inputs and capital goods imported under special export-related schemes.

I have also decided to allow drawback of the special additional duty of customs which might be levied at the time of import for export-production. For this purpose, I will move an amendment in the Finance Bill at the appropriate time.

I am just expressing the intent.

These changed will be notified with effect from tomorrow in regard to this.

Now I would also like to inform the House, through you, that I have received a number of representations against the proposed withdrawal of exemption from withholding tax on interest paid by Indian companies on foreign bonds. While the general principle of extending withholding tax requirements is sound, many investors and organisations have argued that this exemption is a long-

[Shri Yashwant Sinha]

standing practice and this removal will disturb financing arrangements for projects, especially in infrastructure in environment which is somewhat volatile at this moment.

Keeping in view the importance of strengthening investment activities and specially investment in infrastructure, I reconsidered the matter and decided to continue this exemption. Necessary amendment will be brought in the Finance Bill.

I have also received a number of other representations on a specific indirect tax changes proposed in the Budget. ...*(Interruptions)*. We shall study these representations very carefully and consider any modifications are needed at the time of consideration of the Finance Bill.

In the meantime, I have instructed the Revenue Department to take special care to ensure that newly assessable units are not put to any inconvenience. Therefore, until a decision in regard to the representations received has been taken by us.

SHRI HARIN PATHAK (Ahmedabad) : Will they do it now?

SHRI YASHWANT SINHA : Not for the time being. That is what I mean by inconvenience.

Therefore, these are some of the decisions which we have taken. When we come to discuss the Finance Bill, I will, if there are issues after consideration, come forth with amendments as usual on our own. Now that we have removed some of the issues in this Budget which were impinging on some specific interests, I think that there will be absolutely no objection even from the point of view of the Opposition benches in getting this Budget now passed unanimously.

MR SPEAKER : I shall now put the Demands for Excess Grants (General) for 1995-96.

The question is:

"That the respective excess sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to make good the excess on the respective grants during the year ended 31st day of March, 1996 in respect of the following demands entered in the second column thereof:-

Demand Nos. 13, 14, 17, 65 and 81."

The motion was adopted.

*Demands for Excess Grants (General) for 1995-96
submitted to the Vote of the Lok Sabha.*

No. of Demand	Name of Demand	Amount of Demand submitted to the vote of the House
1	2	3
1.	EXPENDITURE MET FROM REVENUE	
13.	Department of post	73,52,76,021
14.	Department of Telecommunications	60,48,91,516
17.	Defence Services-Army	6,93,663
81.	Public Works	8,43,16,283
2.	EXPENDITURE MET FROM CAPITAL	
65.	Ministry of Petroleum & Natural Gas	99,150

16.08 hrs.

APPROPRIATION (No. 2) BILL*

[English]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): I beg to move for leave to introduce a Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 1996 in excess of the amounts granted for those services and for that year.

MR. SPEAKER : The question is:

"That leave be granted to introduce a Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 1996, in excess of the amounts granted for those services and for that year."

The motion was adopted.

SHRI YASHWANT SINHA : I introduce the Bill.**

SHRI YASHWANT SINHA : I beg to move:

"That the Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of

*Published in the Gazette of India Extraordinary Part-II, Section-2 dated 4.6.98.

**Introduced with the Recommendation of the President.

March, 1996, in excess of the amounts granted for those services and for that year, be taken into consideration."

(Interruptions)

SHRI BASU DEB ACHARIA (Bankura) : Sir, I have given a notice to speak on the Appropriation Bill. My notice is there. ...*(Interruptions)*

MR. SPEAKER : Shri Basu Deb Acharia, you have given a notice. According to rule 218 (3), Members are required to give advance intimation of the specific points they intend to raise. If they wish to speak on the Appropriation Bill, Members are required to give such intimation by 10 a.m. on the day the Bill is to be taken up. We have received your notice at two of the clock. So, it is not permitted.

(Interruptions)

MR. SPEAKER : The question is:

"That the Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 1996, in excess of the amounts granted for those services and for that year, be taken into consideration."

The motion was adopted.

MR. SPEAKER : The House will now take up clause by clause consideration of the Bill.

The question is:

"That clauses 2 and 3 stand part of the Bill".

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

The Schedule was added to the Bill.

MR. SPEAKER : The question is:

"That the Schedule Stand part of the Bill"

The motion was adopted.

The Schedule was added to the Bill.

MR. SPEAKER : The question is:

"That clause 1, the Enacting Formula and the Long Title stand part of the Bill.

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI YASHWANT SINHA : Sir, I beg to move:

"That the Bill be passed."

MR. SPEAKER : The question is:

"That the Bill be passed."

The motion was adopted.

[English]

MR. SPEAKER : Now, the House will take up Private Members' Business.

(Interruptions)

SHRI BASU DEB ACHARIA (Bankura) : What about the Discussion under Rule 193? Do they not want to discuss it? . . .*(Interruptions)*

MR. SPEAKER : Before that, there is a statement by the Agriculture Minister, Shri Som Pal.

16.12 hrs.

STATEMENT BY MINISTER

Situation caused by Recent Cyclonic Storm in Gujarat and Rajasthan

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL) : Mr. Speaker, Sir, I seek leave of the House to make a statement on the latest position of the situation caused by the cyclonic storm in some parts of Gujarat and Rajasthan.

The hon. Home Minister Shri L.K. Advani paid a visit on 11th June, 1998 to the Severely affected parts of Gujarat to make an on the spot assessment as well as rescue and relief operations being undertaken.

The cyclonic storm which crossed over to the Gujarat coast at Porbandar on the 9th of June in the morning, caused extensive damage in parts of the districts of Kutch, Jamnagar, Rajkot, Porbandar, Junagadh, Amreli, Bhavnagar, Banaskantha, Surat, Bharuch, Valsad and Navsari. The damage to life and property has been particularly severe in the districts of Kutch, Jamnager and Porbandar, especially in the Kandla areas of Kutch district. The death toll, as reported by the State Government in the morning today, has reached 713 and the number of those injured stands at 851. Telecommunications and power installations have been seriously affected.

The cyclonic storm also affected some areas of Rajasthan in Barmer, Jalore and Jodhpur districts resulting in death of seven persons and injuries to 14 besides extensive damage to public and private property.

[Shri Sompal]

The preliminary estimate regarding loss caused by the cyclonic storm, as given by the State Government of Gujarat, is Rs. 1200 crore. Assessment from Rajasthan is awaited. However, detailed survey and estimation of the loss caused is being made by both the State Governments.

Immediately on receipt of the warning of the cyclonic storm, both the State Governments swung into action, activated their entire State machinery from the Headquarters down to the field level.

Prior evacuation operations were promptly carried out in Gujarat before and after the event. Over 28,000 persons have been shifted to the 64 relief camps where shelter, food, clothing, medicines and all other necessities of life are being provided. Medical services in the hospitals have been geared up and augmented. Adequate funds have been placed at the disposal of the District Collectors with the directions to meet all expenses on items of immediate relief without awaiting sanction from higher authorities. Measures have been taken to restore water supply systems by making arrangements like use of tankers, generating sets, etc. All out efforts are being made by the State Authorities to restore electricity supplies. Traffic on all major roads has been restored and the efforts are being made to restore bus services to all villages within 2-3 days.

16.14 hrs.

[SHRI K. YERRANNAIDU *in the Chair*]

All the three wings of the Armed Forces and the formation of the Paramilitary Forces in Gujarat have rendered excellent cooperation to civil authorities in rescue and restoration operations. Communication systems have been restored in all affected districts headquarters and efforts are being made to restore communications with the smaller towns at the earliest. Contingency plans have been drawn up by the Oil Industry to meet requirements of oil products in the affected areas. The Ministry of Power has also issued instructions to Maharashtra Power Restoration Unit to render all help to the State authorities. The Railway Authorities have started works on the damage portion of railway track in Kandla port so as to make it operational at the earliest possible.

In order to enable the Government to take immediate rescue and relief measures, the first two quarterly installments of Central share to the Calamity Relief Fund to Gujarat and first installment to Rajasthan stand released. On the basis of preliminary assessment, the State Government has requested for Central assistance of Rs. 500 crore from the National Fund for Calamity Relief. The State Government has been advised to submit a detailed memorandum giving detailed assessment of loss

and requirement of funds for relief and rehabilitation at the earliest. A Central team will be deputed to assess the requirement immediately on receipt of Memorandum from the State and action on their request will be taken promptly.

The hon. Home Minister visited the worst affected areas, the victims of the calamity, paid visit to the hospitals and had detailed discussions with the Chief Minister and other Ministers and Officers of the State Government at the Kandla Port Trust. He appreciated the prompt action taken by the Government and also the active role played and being played by the Non-Governmental Organisations. He assured the State Government of all possible assistance from the Government of India.

(Interruptions)

MR. CHAIRMAN : Now, we come to Private Members' Legislative Business. Item No. 1, Shri Sushil Kumar Shirde.

(Interruptions)

SHRI A.C. JOS (Mukundapuram) : Sir, what about the discussion under rule 1937. ...*(Interruptions)*

MR. CHAIRMAN : Shri A.C. Jos, please sit down. The hon. Home Minister is on his legs.

[Translation]

THE MINISTER OF HOME AFFAIRS (SHRI L.K. ADVANI) : Mr. Chairman, Sir, yesterday I visited hospitals of Kondla port. Gandhidham, Jamnagar and other hospitals in different parts of Gujarat. There I saw horrible scenes. Gujarat is struck by a tragedy. I recall that about 20 years ago because of a breach in the embankment there was havoc in Morbi. It caused devastating floods, but it was limited to Morbi only. This time the entire western coast of Gujarat and Saurashtra have been totally affected. As the Agriculture Minister has informed and as per information received till date more than 700 persons have died. I visited Kandla port and found that the workers engaged in salt production did not belong to Gujarat. Most of them were from Orissa, Uttar Pradesh, West Bengal, Tamil Nadu, Andhra Pradesh. They had come from different parts of the country. They did not have any relative there. About 409 dead bodies were recovered from there. Only 100-110 bodies could be identified. The remaining bodies are unidentified. Their last rites were performed. This is a terrible tragedy. I am deeply concerned about this incident as it all happened due to the cyclonic floods. The death toll is 700. The submerged area is also quite vast. Lots of workers were engaged in the work there. More dead bodies are expected there. It is feared that this figure may touch even one thousand mark several labourers who do not have any work want to go back to their homes. I have discussed this issue with the Railway Minister. The Railway Minister has accorded his approval to it. He has informed

the Railway officials there that if labourers working there intend to go home in Orissa or Tamil Nadu, they should be issued free passes from Gandhidham or Ahmedabad.

ONE HON. MEMBER : They should also be provided money for other expenses.

SHRI L.K. ADVANI : For this also, instructions have been issued. We have told the Gujarat Government that it should the other expenses they need. The Central Government would also share the burden. As Agriculture Minister has informed, the State has made a request for Rs. 500 crore central assistance. There is a set procedure for this purpose. When whole evaluation and assessment regarding the extent of loss is completed in 4-5 days - an official team would go there and after holding discussions submit its report to the Centre. Then we would be able to decide about the quantum of assistance to be provided.

I would like to make a submission that the State Government, the Government agencies and the three wings of Defence services are engaged in relief work wholeheartedly. The other matter of satisfaction is that non-Government agencies are also engaged in relief work with full earnestness. Th State faced floods in Morvi. Later Surat was affected by plague. These two tragedies struck the State but my personal experience is that Government and non-Government institutions had worked with full mutual cooperation. The present day Morvi is far better than the Morvi before floods. Present day Surat is far better than Surat before the onslaught of plague. We cannot imagine the magnitude of calamity affecting that area. The devastation of the port was such that the loss would go up to the tune of Rs. 1000-1200 crores. Five huge cranes have been destroyed in the cyclone. One is awestruck to see all this. I hope that Government, non-Government institutions and people would unitedly undertake relief work in the whole Kutch and Saurashtra regions, so that this area is transformed better than the pre-cyclone Condition regions. We would extend all possible assistance in this drive, with these words, I conclude.

(Interruptions)

[English]

MR. CHAIRMAN : We shall now take up Private Members' Business. No further clarifications on the statement now. The rules would not permit it. I am requesting Shri Sushil Kumar Shinde to move for leave to introduce his Bill. ...*(Interruptions)*

MR. CHAIRMAN : Nothing will go on record except what I am permitting.

*(Interruptions)**

*Not Recorded.

MR. CHAIRMAN : On the Statement no clarification is allowed. You are aware of it. The Minister has already made a statement and there cannot be any clarification on that. I am not allowing anybody to speak on this issue. The hon. Minister of State for Agriculture has laid a statement on the Table and the hon. Minister of Home Affairs has also made a statement on this issue.

(Interruptions)

[Translation]

SHRI NARENDRA BUDANIA (Churu) : Rajasthan has also been affected by this cyclone but the Home Minister did not utter a word about Rajasthan. ...*(Interruptions)*

SHRI L.K. ADVANI : Mr. Chairman, Sir, the Agriculture Minister has made a statement which has detailed mention of Gujarat and Rajasthan. As I represent Gujarat, I had gone to Gujarat only. This is not my subject, so I did not make a mention of Rajasthan. ...*(Interruptions)*

SHRI DILEEP SANGHANI (Amreli) : Mr. Chairman, Sir, all of us are satisfied with the relief provided by the Government to the people affected by cyclone. We thank the Government for this.

[English]

MR. CHAIRMAN : Shri Basu Deb Acharia, you may introduce your Bill.

(Interruptions)

SHRI BASU DEB ACHARIA (Bankura) : I am on a point of order.

MR. CHAIRMAN : There is no point of order at this stage. Please sit down.

(Interruptions)

MR CHAIRMAN : What is your point of order?

SHRI BASU DEB ACHARIA : My point of order is this. In the List of Business, it has been stated that the discussion under rule 193 will be taken up at three o'clock. ...*(Interruptions)* As per the agenda, it was to be taken up at three o'clock. It was not taken up at three o'clock. We were not told when this item would be taken up. It is a very important matter.

MR. CHAIRMAN : Please sit down.'

SHRI G.M. BANATWALLA (Ponnani) : The Private Members' Business should be taken up at least now. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : We were told by the hon. Speaker yesterday that this discussion will be taken up. ...*(Interruptions)*

MR. CHAIRMAN : Shri Banatwalla, please sit down.
(Interruptions)

SHRI BASU DEB ACHARIA : Sir, we have been raising this issue for the last three or four days.

KUMARI MAMATA BANERJEE (Calcutta South) : Sir, it is our right to have the Private Members' Business.

SHRI BASU DEB ACHARIA : Sir, we want to know when this matter will be taken up. ...*(Interruptions)*

SHRI G.M. BANATWALLA : The Private Members' Business should not be treated lightheartedly.

MR. CHAIRMAN : The hon. Speaker has already said that there is no time for taking up the discussion under rule 193.

SHRI S. JAIPAL REDDY (Mahbubnagar) : Why?

SHRI BASU DEB ACHARIA : There is time for every other business but there is no time for this item. Why do they want that this discussion on the Maruti deal should not be allowed?

MR. CHAIRMAN : It will remain alive for consideration at a later date.

SHRI N.K. PREMACHANDRAN (Quilon) : The Government is deliberately avoiding the discussion. The Government has no reply to our questions. Let the Government admit it.

MR. CHAIRMAN : Already the hon. Speaker has said that it will remain alive for future consideration. Other than the Private Members' Business, nothing will go on record.

(Interruptions)

SHRI A.C. JOS : Sir, our senior colleague, Shri Karunakaran wants to say something.

SHRI K. KARUNAKARAN (Thiruvananthapuram) : Sir, the Chair is here to protect the rights of this House. The Chair has included in the agenda the discussion under rule 193 and it was to be taken up at three o'clock. I could understand that the reply of the hon. Minister of Finance to the discussion on the General Budget had to be taken up. At the end of it, the Chair should tell us at what time the discussion under rule 193 will be taken up.

We feel, I am sorry to say, that some sort of an escapism is there. They are very much afraid of exposing themselves on the Maruti agreement. I am making a charge against them. They did it with undue haste. Undue haste is an offence, it is an offence in the sense that it amounts to corruption.

MR. CHAIRMAN : What is your point of order? Do not go into the subject. I have not allowed you to discuss the subject. ...*(Interruptions)*

SHRI K. KARUNAKARAN : Sir, we look to the Chair to protect our rights. So, the Chair should tell us at what time it would be taken up. ...*(Interruptions)*

MR. CHAIRMAN : With the consent of the House.
(Interruptions)

SHRI BASU DEB ACHARIA : At no point of time the consent of the House was taken. ...*(Interruptions)* This discussion can be taken up even after the Private Member's Business. ...*(Interruptions)*

MR. CHAIRMAN : I have already told you that it would remain alive for consideration later. There is a convention in the House that the time of the Private Members' Business should not be cut.

(Interruptions)

SHRI BASU DEB ACHARIA : Sir, this discussion can be taken up even after Private Members' Business. ...*(Interruptions)*

SHRI A.C. JOS : Sir, I am on a point of order. ...*(Interruptions)*. Under Rule 194 (1) ...*(Interruptions)*

MR. CHAIRMAN : The hon. Member is on a point of order. Please listen to him.

(Interruptions)

SHRI A.C. JOS : Sir, according to the Rule 194 (1):-

"If the Speaker is satisfied, after calling for such information from the Member who has given notice and from the Minister as he may consider necessary, that the matter is urgent and is of sufficient importance to be raised in the House at an early date, he may admit the notice".

Sir, here the notice has been accepted and it has been listed in the List of Business also. According to the List of Business, it should be taken up at 3 o'clock. The consent of the House has not been obtained as to whether it should be postponed or adjourned. The hon. Minister of Finance has taken one hour to reply.

Once that statement was made, it is only natural and corollary that the discussion under Rule 193 is taken up. That is the only proper course available. ...*(Interruptions)*

MR. CHAIRMAN : Let us give an opportunity to the Government side.

(Interruptions)

SHRI A.C. JOS : Sir, I want a ruling from the Chair. ...*(Interruptions)*

MR CHAIRMAN : I will give a ruling. I will first hear the other side also then I will give a ruling later.

(Interruptions)

SHRI A.C. JOS : Mr. Minister, why are you afraid of having a discussion on this? ...*(Interruptions)*

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK) : Why are you afraid of listening to us? ...*(Interruptions)*

MR. CHAIRMAN : First let us hear the Minister; then I will give a chance.

SHRI RAM NAIK : Sir, I invite your attention to Rule 26. It is about the allotment time to the Private Members' Business. The Rule say:

"The last two and a half hours of a sitting on Friday, shall be allotted for the transaction of Private Members' Business."

SHRI BASU DEB ACHARIA : Then, why was it not taken up at 3.30 p.m.?

SHRI RAM NAIK : Why is he in a hurry?

When there is to be a deviation in this schedule, it has to be done with the concurrence of the House. In the present case, the Budget discussion and the reply was extended with the concurrence of the House; and once that is over, the House has to take up the Private Members' Business. The Word used in the Rule is 'shall' and not 'may'. ...*(Interruptions)* The time allotted to the Private Members' Business is never changed. It always gets the priority except in certain circumstances when the whole House agrees. So, now that the Budget discussion is over, the Private Members' Business has to get the precedence. We have to go according to the rules. ...*(Interruptions)*

SHRI A.C. JOS : Shri Sikander Bakht, a very senior Minister is sitting here. He does not want to reply. ...*(Interruptions)*

MR. CHAIRMAN : Shri Jos, you are taking every single opportunity. I have given you an opportunity. Now, you take your seat. Shri Jaipal Reddy.

(Interruptions)

MR. CHAIRMAN : Nothing goes on record except what Shri Jaipal Reddy says.

*(Interruptions)**

SHRI A.C. JOS : Sir, the Minister of Industry is not listening to us. ...*(Interruptions)*

SHRI RAM NAIK : It is because he is speaking without the permission of the Chair. ...*(Interruptions)*

SHRI A.C. JOS : Sir, he is trying to avoid it. ...*(Interruptions)*

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : Sir, I am not avoiding it. I am only waiting here for it. ...*(Interruptions)*

MR. CHAIRMAN : Nothing goes on record.

*(Interruptions)**

SHRI SIKANDER BAKHT : Sir, I am sitting here.

MR. CHAIRMAN : Mr. Minister, you need not reply to it.

SHRI S. JAIPAL REDDY : Sir, we gave a notice; rather I was the first to give a notice for raising a discussion on the Ministers' statement under Rule 193. When the Minister made a statement, it sounded like a bolt from the blue. From that day onwards, every day, we have been raising this. Both the Minister and the Prime Minister were compelled to agree to a discussion on the subject.

SHRI MADHUKAR SIRPOTDAR (Mumbai North-West) : Are they compelled? It is their liberty. ...*(Interruptions)*. Sir, they are only trying to encroach upon the time of the Private Members' Business. ...*(Interruptions)*

SHRI A.C. JOS : I want a ruling, Sir.

MR. CHAIRMAN : I will give a ruling. ...*(Interruptions)*

SHRI MADHUKAR SIRPOTDAR : Sir, I am a private Member and I have got equal right to say this. ...*(Interruptions)*

SHRI S. JAIPAL REDDY : I do not interrupt anybody. Please do not interrupt me.

SHRI MADHUKAR SIRPOTDAR : Your friends are doing it. ...*(Interruptions)*

MR. CHAIRMAN : You are a senior Member. You address the Chair. Why should there be a cross-talk in-between?

SHRI S. JAIPAL REDDY : Mr. Chairman, Sir, it is said on page 16 by way of an asterisk:

"To be taken up at 3 P.M. or as soon as the preceding items of business are disposed of, whichever is earlier."

This should have taken precedence over the reply of Minister of Finance.

SHRI BHUBANESWAR KALITA (Guwahati) : What is the point? ...*(Interruptions)*

MR. CHAIRMAN : That is as per the Order Paper.

(Interruptions)

SHRI S. JAIPAL REDDY : If he is more enlightened, I am prepared to seek his guidance.

MR. CHAIRMAN : He has long experience. Let him speak. Why are you unnecessarily interrupting him?

SHRI S. JAIPAL REDDY : I am prepared to learn from any hon. Member of the House. I am only making my submission.

My submission is that it should have got precedence over the reply of the Minister of Finance. But having regard to the importance of the Budget and all that, we all agreed. And the Speaker made a suggestion. At that time, we naturally felt that this would be taken up soon afterwards. The Speaker did express a view that this should be kept alive and could be taken up later on. May I tell you in all humility that nobody can deviate from the Order Paper unless the consent of the House is taken? The Speaker merely expressed a view. It did not amount to anything more than *obiter dictum*. It was not done with the consent of the Speaker. Therefore, this item should take precedence over everything else.

As far as the sanctity of the Private Members' Business is concerned, I completely share the sentiments of the hon. Members and also the Private Member. It was rescheduled earlier. It can also be rescheduled now. It can also be taken up later on. ...*(Interruptions)*

I would like to tell my senior friend, Shri Sikander Bakht, for whom I have great personal regard in spite of the wonderful deal he has struck, that he should avoid giving an impression, that is, of avoiding the debate. ...*(Interruptions)*

MR. CHAIRMAN : Please wait for a minute. I will give my ruling.

(Interruptions)

MR. CHAIRMAN : You are all aware of it. I do not want to go against the decision already given by the hon. Speaker.

(Interruptions)

SHRI ANIL BASU (Arambagh) : Sir, please here me. ...*(Interruptions)*

MR. CHAIRMAN : This can be taken up for consideration later on. So, I do not want to cut the time of the Private Members' Business. I am not cutting anything. So, now the Private Member's Business.

(Interruptions)

MR. CHAIRMAN : No, no; the hon. Speaker has already given a ruling.

(Interruptions)

SHRI BASU DEB ACHARIA : He has not given any ruling. ...*(interruptions)* The consent of the House was taken.

MR. CHAIRMAN : He has kept it for discussion later on.

(Interruptions)

MR. CHAIRMAN : No, no. I do not want to reverse my decision.

SHRI BASU DEB ACHARIA : Will the matter listed for discussion under Rule 193 be taken up after the Private Member's Business?

MR. CHAIRMAN : Shri Acharia, do you want to move the Private Members' Bill or not? You please tell me.

SHRI BASU DEB ACHARIA : I want to do so. ...*(Interruptions)*

MR. CHAIRMAN : You move it.

SHRI BASU DEB ACHARIA : I will move it. ...*(Interruptions)*

MR CHAIRMAN : You are all aware that the hon. Speaker has given a decision.

(Interruptions)

MR. CHAIRMAN : You see the records.

(Interruptions)

MR CHAIRMAN : Please listen to me. I will give one suggestion.

(Interruptions)

MR. CHAIRMAN : If the House agrees, then we will take up this item after 6 p.m.

(Interruptions)

SHRI K. KARUNAKARAN : Sir, Rule 26 of the Rules of Procedure and Conduct of Business in Lok Sabha says. ...*(Interruptions)*

MR. CHAIRMAN : Shri Karunakaran, if the House agrees then we will take up this item after 6 p.m.

(Interruptions)

SHRI ANIL BASU : Sir, the Order Paper has already been circulated. ...*(Interruptions)*. The business of the House should go by the Order Paper. ...*(Interruptions)*. Sir, it cannot be changed. ...*(Interruptions)*

MR. CHAIRMAN : The hon. Speaker has already given a ruling on this.

(Interruptions)

MR. CHAIRMAN : We will take up this item after 6 p.m.

(Interruptions)

SHRI BASU DAB ACHARIA : Sir, you should take a view on this now. ...*(Interruptions)*

SHRI S. JAIPAL REDDY : It is already there in the list of Business. ...*(Interruptions)*

MR. CHAIRMAN : I know it is in the List of Business. The hon. Speaker has already given a ruling on this.

(Interruptions)

SHRI BASU DEB ACHARIA : Sir, you can take the view of the House just now. What is the difficulty in it? ...*(Interruptions)*

MR. CHAIRMAN : If you are interested, we will take up this item after 6 p.m.

(Interruptions)

SHRI BASU DEB ACHARIA : Sir, the rules of the House cannot be violated. ...*(Interruptions)*

SHRI ANIL BASU : Sir, please take the consent of the House. ...*(Interruptions)*. The consent of the House should be taken. ...*(Interruptions)*

SHRI RAM NAIK : Sir, that has to be decided at 6 p.m. Why are they so eager? ...*(Interruptions)*

MR. CHAIRMAN : The Government is also willing. We will take it up after 6 p.m.

(Interruptions)

SHRI RAM NAIK : We can decide after 6 p.m. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : What is the difficulty in talking the consent of the House now? ...*(Interruptions)*

SHRI MADHUKAR SIRPOTDAR : The Chair has already given a ruling. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : Do you want to run the House in this way. ...*(Interruptions)*

MR. CHAIRMAN : Shri Sirpotdar, please sit down.

(Interruptions)

SHRI SATYA PAL JAIN (Chandigarh) : It is not a good thing to do. They cannot dictate like this. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : We are not dictating. ...*(Interruptions)*

SHRI SATYA PAL JAIN : This is not the way. ...*(Interruptions)*

SHRI RAM NAIK : We are asking for your cooperation. ...*(Interruptions)*

SHRIMATI GEETA MUKHERJEE (Panskura) : We have equal rights as of you. ...*(Interruptions)*

MR. CHAIRMAN : Madam, just one minute. In this way, we are wasting the time of the Private Members' Business.

(Interruptions)

SHRI K. KARUNAKARAN : Sir, rule 26 of the Rules of Procedure and Conduct of Business says about the allotment of time for Private Member's Business. ...*(Interruptions)*

MR. CHAIRMAN : Shri Karunakaran, please sit down.

(Interruptions)

[Translations]

SHRI MOHAN SINGH (Deoria) : Mr. Chairman, Sir, why are you consuming the time this way. I am sorry to say that time meant for private Members' Business is being consumed in this way. This is not the way that senior Members should get up on their own and start speaking on any subject and you start listening to them. This is absolutely wrong. Already one hour has been wasted. I request that private Members' Business should be taken up without further delay. ...*(Interruptions)*

[English]

What is this you are repeating the same thing.

KUMARI MAMATA BANERJEE : Sir, why is the time of the House being wasted? We can take up this issue after 6 p.m. ...*(Interruptions)*

SHRI MOHAN SINGH : Sir, one hour of the Private Members' Business has already been wasted. ...*(Interruptions)*. Some senior Members here are raising the same issue again and again. ...*(Interruptions)*

MR. CHAIRMAN : Shri Mohan Singh, please sit down.

(Interruptions)

SHRI MOHAN SINGH : They are repeating the same thing and you are listening to them. ...*(Interruptions)*. Sir, I strongly protest this tendency to do away with the Private Members' Business. ...*(Interruptions)*. It should not be done away with. ...*(Interruptions)*

MR. CHAIRMAN : We will have take up this item after the Private Members' Business.

SHRI INDRAJIT GUPTA (Midnapore) : It took you one hour to say this.

MR. CHAIRMAN : Now the House will take up Private Members' Legislative Business. Bills for introduction.

Shri Basudeb Acharia.

16.49 hrs.

BILLS INTRODUCED

(i) Constitution (Amendment) Bill*

(Amendment of article 311)

[English]

SHRI BASU DEB ACHARIA (Bankura) : Sir, 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 BASU DEB ACHARIA (Bankura) : Sir, I introduce the Bill.

16.50 hrs.

(ii) Constitution (Scheduled Tribes) Order (Amendment) Bill*

(Amendment of the Schedule)

[English]

SHRI BASU DEB ACHARIA (Bankura) : I beg to move for leave to introduce a Bill further to amend the Constitution (Scheduled Tribes) Order, 1950.

MR. CHAIRMAN : The question is:

"That leave be granted to introduce a Bill further to amend the Constitution (Scheduled Tribes) Order, 1950."

The motion was adopted.

SHRI BASU DEB ACHARIA (Bankura) : I introduce the Bill.

Published in the Gazette of India Extraordinary Part-II, Section-2 dated 12.6.98.

16.51 hrs.

(iii) Government of Union Territory of Lakshadweep Bill*

[English]

SHRI BASU DEB ACHARIA (Bankura) : I beg to move for leave to introduce a Bill to provide for the creation of a Legislative Assembly for the Union Territory of Lakshadweep and for matters connected therewith or incidental thereto.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for the creation of a Legislative Assembly for the Union Territory of lakshadweep and for matters connected therewith or incidental thereto."

The motion was adopted.

SHRI BASU DEB ACHARIA (Bankura) : I introduce the Bill.

16.52 hrs.

(iv) Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Bill*

(Amendment of section 33)

[English]

SHRI BHAGWAN SHANKER RAWAT (Agra) : I beg to move for leave to introduce a Bill to amend the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995.

MR. CHAIRMAN : The question is:

"That leave be granted to introduce a Bill to amend the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995."

The motion was adopted.

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I introduce the Bill.

16.52 1/2 hrs.

(v) States Reorganisation (Amendment) Bill*

(Amendment of section 51)

[English]

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I beg to move for leave to introduce a Bill further to amend the States Reorganisation Act, 1956.

Published in the Gazette of India Extraordinary Part-II, Section-2 dated 12.6.98.

MR. CHAIRMAN : The question is:

"That leave be granted to introduce a Bill further to amend the States Reorganisation Act, 1956."

The motion was adopted.

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I introduce Bill.

16.53 hrs.

(vi) Land Acquisition (Amendment) Bill*

(Substitution of new section for section 16, etc.)

[English]

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I beg to move for leave to introduce a Bill to amend the Land Acquisition Act, 1894.

MR. CHAIRMAN : The question is:

"That leave be granted to introduce a Bill to amend the Land Acquisition Act, 1894."

The motion was adopted.

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I introduce the Bill.

16.54 hrs.

CONSTITUTION (AMENDMENT) BILL*

(Insertion of new article 51B)

[English]

MR. CHAIRMAN : The House will now take up the Constitution (Amendment) Bill, 1998. Before I call upon Shri Mohan Singh to move the motion for consideration of the Bill, we shall have to fix the time for discussion of this Bill.

SEVERAL HON. MEMBERS : Sir, two hours is all right.

MR. CHAIRMAN : So, two hours have been allotted for it.

[Translation]

SHRI MOHAN SINGH (Deoria) : Mr. Chairman Sir, I beg to move:

"That the Bill further to amend the Constitution of India be taken into consideration."

Mr. Chairman, Sir, my amendment relates to insertion of new Article 51B in Article 51 of the constitution of India which is as follows :

Published in the Gazette of India Extraordinary Part-II, Section-2 dated 12.6.98.

[English]

"It shall be the duty of every political party and candidate, whether such candidate is set up by any political party or not, to ensure that votes are not sought in the name of any religion, religious symbol or by inciting religious feelings of the people in any election to the House of the People, or Legislative Assembly of a State or Union Territory or any local body."

[Translation]

While introducing this Bill, I have also cited its objects and reasons. I have written.

[English]

"It has been observed that during elections some political parties and candidates are seeking votes in the name of religion or by inciting religious feelings. It will have an adverse affect on the society if such trends continue. It is, therefore, necessary to check such moves by amending the Constitution. It is accordingly proposed to make it the fundamental duty of every political party and candidate to ensure that votes are not sought by them in any election in the name of religion or by inciting religious feelings. Although the violation of these duties is not punishable under the existing system of Constitution, the political parties and candidates will be morally bound by such a provision in the Constitution."

[Translation]

This Bill provides for insertion of an Article in the Chapter relating to Fundamental Duties in the Constitution of India. Till 1976, Indian Constitution contained only Fundamental rights. However, a new chapter regarding duties of citizens was added after 1976. In Article 51A, duties of citizen have been provided. It has been stated therein:-

[English]

"It shall be the duty of every citizen of India-

- (a) to abide by the Constitution and respect its ideals and institutions, the National Flag and the National Anthem;
- (b) to cherish and follow the noble ideals which inspired our national struggle for freedom;
- (c) to uphold and protect the sovereignty, unity and integrity of India;
- (d) to defend the country and render national service when called upon to do so;
- (e) to promote harmony and the spirit of co-brotherhood amongst all the people

transcending religious, linguistic and regional or sectional diversities; to renounce practices derogatory to the dignity of women;

- (f) to value and preserve the rich heritage of our composite culture;
- (g) to protect and improve the natural environment including forests, lakes, rivers and wild life, and to have compassion for living creatures;
- (h) to develop the scientific temper, humanism and the spirit of inquiry and reform;
- (i) to safeguard public property and to abjure violence;
- (j) to strive towards excellence in all spheres of individual and collective activity so that the nation constantly rises to higher levels of endeavour and achievement."

[Translation]

It is absolutely correct that the chapter relating to Fundamental Rights was reduced a little as before the insertion of a chapter on fundamental duties of citizens, an Article 31A was already in force in the constitution and according to this article.

[English]

An organisation or an association which is intended or which is a part of a scheme which is intended to threaten or disrupt harmony between different religious, racial, linguistic or rational groups, or castes or communities can be declared as anti-national and the Government can take action against such an organisation.

[Translation]

It was at that time when there were such organisations which used to disrupt communal harmony on the basis of religion. The right to ban such organisations was provided under Article 31B of the Constitution. But after the declaration of emergency, this article was deleted from the constitution of India only on the ground that the Government should have no right to ban on organisation arbitrarily in the Indian democracy. The then Government had banned these organisations by misusing all the provisions of emergency.

17.00 hrs.

It was keeping in view such a perception that the then Government and Parliament deleted that article from the Constitution of India. However, we gradually observed that after the deletion of above article, some people took it upon themselves to spoil communal harmony, create racial and religious hatred and instead of seeking votes on political

issues or issues confronting the poor, they sought votes by raising religious issues. This posed a challenge to the social harmony, fraternity, mutual love and the unity of India. In such a situation, it is necessary to make a new provision in the constitution and it is in this spirit that I have put up this Bill, seeking for insertion of this chapter, for the consideration of the House. While presenting my constitutional amendment, I expect that it will not be mandatory for the Government. I have no intention to give a right to ban an organisation. There is already a provision under Fundamental Duties to ward off any challenge to our rich historical heritage and the issues and values of national movement. These will not face any challenge when there is a chapter or an article to warn an organisation or candidate to desist from seeking vote on the ground of religion by creating social hatred and racial discrimination. When our country became independent and a new constitution was being written, the national leaders had some expectations from the framers of the constitution as well as Parliament of India. The great national leader, Pandit Jawaharlal Nehru had said:

[English]

"The first task of this Assembly is to free India, frame a new Constitution, to feed the starving people, to clothe the naked masses, to give every Indian the fullest opportunity to develop himself according to his capacity".

[Translation]

The great national leader who provided a bold leadership in the freedom struggle and who was a strong guiding force behind making of the Constitution of India, had expected of us work for providing a square meal, shelter and clothing to the poor. But, we have forgotten the goal set by him and instead concentrated on seeking votes on the basis of religion and castes. We have drifted away from the right track. The framers of our constitution had given an option to the future generation of India to make necessary amendments as per the situation prevailing in future. He had said:-

[English]

"We will frame a Constitution and I hope it will be a good Constitution but does anyone in this House imagine that when a free India emerges, it will be bound down by anything that even this House might lay down for it? A free India will see me bursting forth of the energy of a mighty nation. What it will do and what it will not do I do not know. Some people imagine that what we do now may not be touched for ten years or 20 years. If we do not do today, we will not be able to do it later. We are on the eve of revolutionary changes, revolutionary in every sense of the word

because when the spirit of a nation breaks, it binds its functions in a peculiar way. It may be the Constitution, this House may frame which may not satisfy the free India. This House cannot bind down next generation or the people who will duly succeed us in this task."

[Translation]

He had said that he could not guarantee if the next generation after 10-20 years would follow the task set by his generation. Therefore, they thought to make the constitution so flexible that the coming generation could exercise the right to make suitable changes according to the circumstances prevailing in those days. Today, the time for the change has come because there are communal riots in different parts of the country and there is increasing participation of political people in communal flare ups. Further, the political parties who had remained away from such issues started embracing them during the last 7-8 years. It is a matter of concern that in a country like India where majority of the population is poor and on which the people of whole world as well as the developed countries or so called big powers cast an ugly look, we divert our attention from the progress of the country to issues like temple and mosque. However, I agree that religion is an issue which is certainly linked with individual mind or individual spiritual endeavour. We cannot impose it on the society through politics. The great national leaders of our country, whether they belonged to this century or the previous century, laid stress on this point. I would like to quote an incident. In 1893, a great man of this nation, Swami Vivekanand reached Chicago to attend a Religious Conference without an invitation. He was dressed in simple clothes. However, later some Americans invited him to a big conference being organised in America. When he stood up to speak and began his speech with words "Brothers and sisters of America", the whole gathering gave him a big applause. I would like to quote the definition given by him of the religion in that conference.

[English]

"Today, as always man seeks God and often without knowing his doing so, all human activity, good, bad, or indifferent is actually the misapplied search for God. The fact is that man in his true nature is already divine, but this divinity is covered. Life's one purpose, the realisation of divinity.

Realisation of divinity is religion. At best, all religions teach the same truth, although assertions often obscure it. *Vedantta* emphasises that one objective of realisation but accepts diverse methods of reaching it. Realisation may be gained by the practice of Yoga of knowledge or of control of mind or of selfless work or of love of God or by a combination of Yogas.

The great Prophets of world afford lively examples of the realisation of divinity. As models they inspire man and as dispensers of grace, they assist him towards realisation..."

[Translation]

What he meant to say was that the great Prophets of the world believing in different religions made the God as a medium of realisation. That too was the medium of humanity and it was the real religion. He had said:-

[English]

"...Each soul is potentially divine. The goal is to manifest this divinity within by controlling nature, external or internal. Do this either by work or worship or psychic control or philosophy by one or more or all of these and be free. This is the whole of religious doctrines or dogmas or rituals or books or temples or forms are but secondary details."

[Translations]

He further said. "I am he".

[English]

"Vedas say, 'I am He'. The truth that there is that one in whom this whole universe of matter and mind finds its unity, whom they call God or Brahma or Allah or any other name, we cannot go beyond that. The grand principle has been already mapped out for us. Our work lies in filling it in, working it out, applying it to every part of our life. We have to work now so that everyone will become a Prophet."

[Translation]

What he meant to say is that there is only one soul in all human beings and we were trying to disunite people by spoiling communal harmony. The disunity among people becomes the cause of disintegration of the society. In the preamble of the constitution we have accepted socialism and envisaged a secular society. It will be unfortunate if we contest election on the basis of such slogans which stoke communal fire and divide the society. Hence, I present this Bill with a good will for the consideration of the House. I hope that all Members of the House will support this Bill by rising above party lines.

With these words, I thank you for giving me an opportunity to present this Bill which is the first private Members' Bill of 12th Lok Sabha. Due to some unfortunate situation, I lost my concentration and deviated from the track. However, I once again thank you and conclude.

SHRI SATYA PAL JAIN (Chandigarh) : Mr. Chairman, Sir, I am grateful to you for giving me time to express my views on the Private Members' Bill introduced in the House by hon. Member Shri Mohan Singh.

[Shri Satya Pal Jain]

I think that the Constitution amendment introduced by Mohan Singh ji needs serious consideration. The Constitution of India did not contain any chapter on fundamental duties of citizens when it was drafted. When emergency was imposed in India in 1976 some amendments were made in Constitution during 1975 and 1976. One of the amendments was inclusion of a chapter on fundamental duties as the Constitution already had fundamental rights. During emergency I was a Student. We had opposed emergency and also the then Prime Minister Smt. Indira Gandhi on all such issues but on one issue probably whole country had agreed that a chapter was included in the Constitution which interpreted duties of citizens. Details of duties were mentioned in this chapter but no provision was made for implementation through courts in case of non-compliance of duties. I think there are many fundamental duties under Article 51 which come under chapter 2(a) Article 51(a) and these were very essential and it has been mentioned them. There are several institution and many persons who want to show disrespect to the national flag and national song. Under this chapter, provision has been made that every person would respect national anthem, national flag. I think that a very good fundamental duty has been included which says that it would be the duty of every Indian citizen.

[English]

Now, I quote article 51A(j):

"It shall be the duty of every citizen of India to strive towards excellence in all spheres of individual and collective activity so that the nation constantly rises to higher levels of endeavour and was the most important fundamental duty which was cast on every citizen.

[Translation]

Today, we are happy that Mohan Singh ji wants to include another chapter under it. He has proposed a provision restrain all political parties and individual from seeking votes in the name of religion. I want to bring one thing in the notice of Shri Mohan Singh. Already there is a provision under section 123 of Representation of Peoples Act, 1951 and subsection (7) says that if any person seeks vote in the name of religion, if any person seeks vote on communal issue and if any person seeks vote on a religious symbol then his election is cancelled if it is proved. There are several such instances wherein different courts throughout the country have disqualified the winning candidate for seeking votes in the name of religion, language, region or on communal issue. It is not that this provision is only in the Representation of Peoples Act. This provision is there in Municipal Act, Corporation Act, Gram Panchayat Act and many other Acts as well.

I want to request Shri Mohan Singh that we do agree with his feeling and it is true that the country should not be divided in the name of religion and castes. We should not seek votes in the name of religion and caste, but alongwith this provision you would have to define of these two three words in the context of India in the right perspective. If you want to impose this restriction that any person or political party should not seek vote in the name of religion, it should his fundamental duty. First of all we have to consider that if this provision is violated what action can be taken under the law and if we cannot do so under any law, can a provision be made under Constitution. If we cannot implement them the position further deteriorates. You have said something about religion. I agree with that and there are two views on this point. Religion in an English word and Dharma is not the proper translation of this word. In our country, 'Dharma' and religion are two different things. Religion is a foreign word which has come from the West. Here Dharma means your duties, your moral duties. We often say that it is Dharma of king to be ready for making sacrifice upto any extent for the sake of his people, now it does not mean that you cannot utter this sentence during election. There is Dharma of father, son, mother and husband. Thus here the interpretation of Dharma is totally different. First of all what would be treaded as seeking vote in the name of religion, this has to be well defined.

In this country there are people who believe in several religious speaking number of languages and belonging to many sub castes and they may have their own peculiar problems. If we make this provision without due deliberations it may create some problems. Tribals have their own way of praying. There are sikhs brethren living in Punjab having together own way of prayer they have their own party. Even in other States, there may be such parties. Even though they do not indulge in any type of communal issue and do not speak against any other person, yet if they want to organise their religion, language, community, caste, then would we prevent them also from fighting election? We are to ponder over this issue. If we accept this amendment without considering all aspects, then it may cause numerous legal complications. Representation of Peoples Act also has this provision which prohibits a person from seek vote in the name of his religion or the religion of the voters.

[English]

"A candidate cannot seek vote in the name of his religion and the courts have defined a number of times that 'his religion' will mean either the 'candidate's religion' or the religion of the voters."

[Translation]

On many occasions this provision may be damaging in case we do not explain it fully. If a person wants to speak against the injustice being met out to the people of a particular religion, genuinely, then he may be covered under this provision. Suppose a candidate is a Muslim voter is not Muslim and suppose, voter is also Muslim and if anybody says no, in that State atrocities are being committed against sikhs or in such and such State, excesses are being committed against Christians, then would we like to put a ban against him also? Presently, Representation of Peoples Act does not take note of such instances. Our several Hindu brethren, several Members sitting in the House claim that they are fighting for the rights of Muslims. The person seeking vote is also a Hindu and voters are also Hindu, then can we say before them that excesses are being committed there against the Sikhs or cannot you say that excesses are being committed against Muslims or Christians. Whether our brethren of Shiv Sena fighting elections in Maharashtra cannot make a mention of Andhra Pradesh, Punjab, Tamil Nadu? Try to understand its serious consequences. I would request that serious thought should be given to this proposal. Mohan Singh ji, we agree with your feelings but you should also think over legal aspects and legal consequences of this proposal. So in my view serious thought should be given to this proposal and its legal aspect should be studied. It would be better if how Ministry does more work on this issue and Mohan Singh ji should consider it and try to make it more specific.

In the end I would like to say one more thing. You want to impose restriction on the candidate as well as on the political party. Political parties are registered and this process is governed separately. For this purpose there is Representation of people Act, 1956 which deals with registration of political parties, electoral voters. It does not have such restriction. If a political party indulges in such things then it would be difficult to book it under the condition laid down in this Act because unless you interpret it fully, practical difficulties may crop up in enforcing and implementing this clause. We agree with the spirit of this move, but this issue should be seriously discussed. Do not make it a political issue. Are the political parties should discuss it thread bare and unanimously arrive at a decision so that a clear cut policy may be formulated on this issue.

With these words. I conclude my speech.

[English]

MR. CHAIRMAN : Shri K. Rosaiah.

SHRI KONIJETI ROSAIAH (Narasaraopet) : At the outset I would like to thank you for giving me an opportunity to say a few words on the Budget proposals for 1998-99.

MR CHAIRMAN : This discussion is not on the Budget. It is a Private Members' Bill. Shri Mohan Singh has introduced a Bill to amend the Constitution.

(Interruptions).

SHRI K. ROSAIAH : My apologies to you and to the House. I have just now come. I thought that the Budget discussion was going on.

MR. CHAIRMAN : Shri V. Radhakrishnan.

SHRI VARKALA RADHAKRISHNAN (Chirayinkil) : I just now got the Bill. This has to be made a fundamental duty under the provisions of the Constitution. With due respect to my learned friend, I oppose this amendment. This cannot be included in the Constitution. It is mainly a matter of procedure and it has to be dealt with by a statute.

Take for example, the Representation of the People Act wherein there are provisions for conducting elections, what are election authorities, what should be the procedure for the conduct of all elections throughout India. I agree with him and the Members involved in this Amendment. It is good. But this can be achieved by other means. It can be achieved by making suitable amendments in the Representation of the People Act. It is also enforceable. It is also having the same validity as the Constitution of India and our courts, the High Courts and the Supreme Court decided cases under the provisions of the Representation of the People Act. Even elections are set aside and even the fitness of a candidate is questioned and the courts stated that he is unfit to be a candidate.

Recently, if I remember correctly, there was a provision initiated by the Chief Election Commissioner that persons who are involved in criminal cases and persons who have been convicted in criminal cases are disqualified to be members of the State Legislature or Parliament as the case may be. That being the case, even the Election Commission had done it and it is giving directions to the people who are entrusted with the conduct of the elections regarding these matters. Everybody knows that religious feelings should not be the basic factor for conducting the elections.

I would submit to my learned friend that this should not be done in this way. After all in our Constitution there is nothing mentioned about political parties. If you go through the entire Constitution you will not find the word 'political party'. There the matter is dealt with on the basic principles concerning the citizen.

If you go through the entire Constitution, you will not find any mention of any association or of any political party. It is not imperative to include the conduct of the political parties in the Constitution. Of course, a number of political parties are there. This is a matter of procedure. It can form part of the Representation of the People Act. The Election

[Shri Varkala Radhakrishnan]

Commission has recently issued a notification without an amendment. If I remember correct, there are provisions in the said Act and they are enforceable like the articles of the Constitution. The high Courts and the Supreme Court pronounced decisions regarding the provisions of the Representation of the People Act. A candidate's election can be set aside by the High Court under the provisions of the Representation of the People Act and the candidature can also found to be invalid by the courts. When such provisions are there, this can also find a place in the said statute. It will not be fair to add the present amendment along with the fundamental duties provided under article 51(A).

Now, in our Constitution, the founding fathers of the Constitution did not enunciate the fundamental duties. They only added the fundamental rights. There are two types of fundamental rights, justiciable and non-justiciable. Justiciable fundamental rights are enforceable in the court of law, in the form of writs whereas non-justiciable fundamental rights will form part of the Directive Principles of State Policy. For example, the controversial issue regarding the Uniform Civil Code is still an issue of non-justiciable fundamental right. It is still one of the Directive Principles of State Policy unenforceable through court. Our right to work is not a fundamental right. It is only a non-justiciable fundamental right and it can be in the Directive Principles to be followed by the State Governments as well as by the Central Government. It cannot be enunciated through a court of law. I cannot go to court and say that I am unemployed and I must get some job. The court will not entertain it. It is because it is not justiciable. Here, the Section 51(A) is a non-justiciable fundamental right. However, when we have decided the fundamental rights, there was no specific provision for providing the fundamental duties.

My friend, the mover of the Bill is asking us to include a later portion as Section 51(B). It is not a fundamental duty of the citizen. It may be a fundamental duty of a political party or an association. Here, Section 51(A) deals with the fundamental duties of an individual citizen. My hon. friend, through an amendment, is trying to bring a new Section which asks a political party or a body or an association, not to put up candidates who are propagating religious feelings and such other things.

So it is a duty assigned to a group of persons or a political party or a political association. It has nothing to do with the Fundamental Duties provided in article 51A in Part IVA. So, it will be out of place not only because the words 'political party' and 'body of association' do not occur in the Constitution, it will be out of place if we add this article to that Part of the Constitution.

Therefore, with due respect to my learned friend, with due respect to the Mover of the Resolution, I am constrained to oppose the Bill. This cannot form part of the Constitution. It will be unfair, it is not legal and it is out of place, if I may put it correctly, to add such a provision after article 51A. Hence, I oppose it and I may be excused for that. This is what I have to submit on this Amendment Bill.

[Translation]

KUMARI MAMATA BANERJEE (Calcutta South) : Mr. Chairman, Sir, as far as the spirit with which the Bill has been moved by Mohan Singhji in the House to make an amendment in Article 51B of the constitution, is concerned, I agree with him. The spirit behind the Bill is that religion should not be dragged into politics and if it happens, legal action should be taken. It is true that there are a number of laws in the country to deal with it. But it is a matter of distress that they are not being put in to practice in the right perspective. After independence, one after another Governments have assumed office but this issue remains unresolved though it has very clearly been spelt out in the Constitution and it has been stated even in the electoral reforms. A Committee has been constituted to look into electoral reforms and it is hoped that it would view this issue seriously. There is nothing much to speak on this Bill. I, however, agree to the spirit of this Bill moved by Shri Mohan Singhji in the House.

Baba Saheb Ambedkar prepared an excellent Constitution for the country. Now the situation is changing and the population of our country is on the increase. People with different ideologies and views live in the country. Keeping all these factors in mind, 78th amendment to the constitution was made. I want to make a submission in the House. Three years ago, I had written about 'Manvi' and remarked that if a woman is clad in a saree tom from place to Place, it does not look good but if she wears an untom saree, it looks nice. That is why I had made a suggestion that an expert committee should be constituted to suggest amendments in the Constitution and religion and politics should not be linked. I want to make one more point that if the political parties have a will and they succeed in their mission, no such Bills are required. If a political party lacks will-power, whatever number of amendments we may make in the Constitution, People's Representation Act or Electoral Reform laws, it is not going to serve any purpose. If political people have got a will to deal with such a situation, the present situation would not have arisen.

Mr. Chairman, Sir, India is a vast country. A number of languages are spoken, number of customs and rituals are observed. North has its own ethos while the South has a different life style.

[English]

South Indians have their own sentiments, North Indians have their own sentiments, Eastern people have their own sentiments and North-Eastern people have their own sentiments. But we all are together. We are happy that India is the biggest democratic country.

[Translation]

India is a multi-religious and multi-racial country. In spite of all these, we people live together in this country. Pandit Jawahar lal Nehru called it unity in diversity. Mahatma Gandhi used to recite—"Ishwar Allaha Tero Naam, Sabko Sanmati De Bhagwan". Iqbal composed—"Sare Jahan Se Achchha, Hindostan Hamara. Rajivji gave the slogan-'Mera Bharat Mahaan'. These are the slogans of our country. In spite of all these 'Fatwa' is issued at the time of elections. Why does it so happen? Whatever religion it may be, no such 'Fatwa' should be issued. Those who issue such 'Fatwas' they do not work for community, or society, they do not work to make drinking water available, neither they work for the spread of education, they only keep on issuing 'Fatwas'. Whichever castes they might belong to, be the Hindus, Muslims, Sikhs or Christians, they should work for they solidarity of the people in the country. This should be our only motto and mission.

I am pained to relate this incident. Recently elections were held in my State. I do not want to quote anybody's name otherwise there will be a quarrel. We have formed a habit of indulging in fightings. It is enough to point out what I mean to say. Some people canvassed against us in my Constituency and asked people not to vote in my favour, Why? Because she would set 'Quaran' afire. I very much respect 'Quaran'. Such things are said about women in our country.

[English]

Is it fair on the part of political leader to give such type of a speech.

[Translation]

If a riot takes place, it is we people who visit the victims, no one else visits them. We people fight for such causes. People are incited to cut the Hindus, Muslims, Sikhs and Christians to pieces. They claim to be more secular. Those who talk of secularism,

[English]

I am sorry to say that they do not behave like secular people.

[Translation]

They are black sheep. That is why, they talk very much of secularism. I, therefore, caution shri Mohan Singhji that

Hindu-Muslim unity should not be talked about only at the time of elections. Once the elections are over, they again raise the issue relating to minority and ask for certain percentage for them. Our Constitution says,

[English]

the majority is the protector of the minority. Everybody is in the minority in different areas. I stay in West Bengal, I may be in the majority there, but I am in the minority in Bihar, South India, Maharashtra, Delhi, Gujarat and Assam. But we respect that because,

[Translation]

our geographical condition is such that we have to take care of them. It is true that Muslims are in minority. Sikhs are in minority, Christians are in minority. I want that we should talk about their developments but nothing of this sort happens. We are all guilty of it. That is why I say whatever the number of Bills we may bring forward, unless we have a political will, we cannot get the desired results. We talk of 33 per cent reservation for women. This provision has been made in Panchayats, Municipalities. Women contest elections but what is their position? Is this reservation their protector? Will this provision for 33 per cent reservation protect them? Women contesting elections are raped and murdered? Is this the protection for women? It is not the protection. We have provided for reservation to SCs and STs but many of them do not get the benefit. Gandhiji has said.

[English]

"Untouchability is a crime."

[Translation]

Dubbing one or the another political party as untouchable is not proper. A political party should be fought in a political manner. We should not fight in the name of religion, which is improper. This is not for a single political party. All the political parties should think and behave in such a manner that we do not dub any party as untouchable. Balagaudaji may be a Muslim but does he not get Hindu votes. I am a Hindu but there are a large number of Muslims in my Constituency.

[English]

They vote for me because if they are in trouble I always go there. We always look into their problems. This is our tradition, this is our custom.

[Translation]

I witnessed it in Hyderabad where a riot broke out that they are not Hindus or Muslims who engineer riots but they are the hooligans who cause such riots. Those Hooligans are the traitors of this society. No hooligan can be an asset

[Kumari Mamta Banerjee]

to a political party. Today not only religion but casteism is also a factor that plays a role. Earlier, there were no caste related riots but at present, they take place as to who is the leader of which caste. Mulayam Singh is a leader of a particular caste, so is Lalu Prasad.

[English]

There are some other parties. They are also champion of other castes.

[Translation]

Balagaudaji and Mulayam Singh are the leaders of Muslim communities. What is all this? I feel that is good for all to live in peace and harmony. Therefore, it is not good to exploit religion for political ends neither it is good to profess the same. That is why it is my request that we should not indulge in such practices. When the question of electoral reforms is under discussion, it is high time to constitute a committee which would go into all these points carefully. We have the 'People's Representation Act' under which a High Court has given verdict that a criminal should not be given ticket to contest elections. A number of people get elected as MLAs and MPs with criminal records or sometimes they are not elected. There are a number of such people. We have laws to deal with such people. But why do not we apply these laws? There is a couplet in this context "Climate changes, seasons change, everything in the world undergoes change, but why the nature and character of political leader do not change." If these people transform themselves then we would not require all these things. We can find solutions to all these things by sitting together.

[English]

If there is a will, there is a way.

[Translation]

I also feel that providing protection to the minorities, Dalits is our paramount duty. Our Constitution provides:-

[English]

The Scheduled Castes, the Scheduled Tribes and women should get proper respect.

[Translation]

We do not want to divide Hindus, Muslims, Sikhs, Christians or other communities. Dividing people is a easy job but uniting them is difficult task. Hence, let us make a resolve in this House that we should not do any such thing in the elections which would disintegrate the country, creates chasm in the politics or divide the people. If it happens, our country will not be able to make progress

and it would not help us to make India a country that we want it to be.

We wholeheartedly support the Bill moved by Shri Mohan Singhji. Politics should have no link with religion. Politics is politics and religion is religion. But I condemn those people who play politics with religion. We should take a decision which should be binding on everybody. If we do not act and march unitedly we would not be able to achieve any goal even if we pass this Bill or bring forward any private Member's Bill. In our freedom fight, it was not any single community but all people belonging to all religions fought together.

[English]

We have every kind of regiment in our country. We are proud of our regiments. That is why, my request to all the leaders and Members - elders and youngsters - would be that we should not divide ourselves only because of elections.

[Translation]

We have to think as to how to solve the economic issues amidst the politics of vote and what sort of society we have to make.

[English]

But we do not discuss economic and social issues. We only divide ourselves in the ballot box - who are Hindus, who are Muslim, who are Christians and who are Sikhs. After that, nobody thinks about the poor people, the weaker sections, the minorities, the Scheduled Castes, the Scheduled Tribes, the OBCs and the women. That is why. ...*(Interruptions)*

SHRI T. GOVINDAN (Kasargod) : What is the fate of your Party in West Bengal?

MR. CHAIRMAN : Please, first you listen. If you want to intervene, I will give you time.

KUMARI MAMATA BANERJEE : Sir, he has asked some clarifications. I will tell him. Our fate is very good. Do you know that? We have broken so many Red Belts. We are a five-month old Party. This Party was set up on 1st of January. Do you know what has happened after that? We got 45 percent votes this time in rural areas.

Sir, there were 95 deaths in *Panchayat* elections. It never happened even in Bihar elections and you say that Bihar is worse. Now, West Bengal is worse than Bihar. Please remember that there were 95 deaths till today in the elections. A minority woman was raped and paraded naked. Her name is Shabiran Bibi. Her village name is Parasar Bishnupur, District - South 24 Parganas, Saldat Begam Police Station, District Howrah.

[Translation]

She was paraded naked with her head Clean Shaven.

[English]

A Scheduled Caste women was our candidate and she contested the election. Her name is Chapla Sardar. She was raped and she was hospitalised. Do you want to know anything more?

SHRI C.P. RADHAKRISHNAN (Coimbatore) : How many of them were from RSP and Forward Bloc?

KUMARI MAMATA BANERJEE : Sir, the most unfortunate part is that the cadres of the C.P.M. went like Chambal dacoits.

[Translation]

They came on horse. They amputated her legs and hands back. They tied her mouth with bandage and set her afire.

[English]

The death toll comes to more than 95 persons — C.P.M. - 4, C.P.I. - 1, R.S.P. also 1, T.M.C. - 57 AND B.J.P. - 40. Are you satisfied now? Sir, he asked me that is why I am giving these details.

They ask the villagers to pay rupee one lakh. Otherwise, they are not allowed to enter the village. There is no drinking water. We have started a *lungar*. Even your friends are being killed. You just go and see. That is why I say that politics and religion are two different things. Let us sit together, let us speak together and let us unite together.

Sir, I feel that the minorities should get protection. They are not getting any protection. I am in favour of reservation for minorities. If you ask me why I will tell you, it is because they have got only one per cent employment opportunities. They are not getting any advantage. I am in favour of reservation for minorities like OBCs. Of course, 11 per cent persons in India belong to minority. In my State the percentage is higher than that of India. It is 28 per cent. But their employment opportunity is only one per cent. That is why,

[Translation]

I want this to be incorporated in the Bill moved by Sh. Mohan Singh,

[English]

that there should be some reservation for the minorities. We should see the interest of the people and not mix politics with religion.

[Translation]

We should not try to make vote Banks, rather we should live together like brothers and sisters to achieve the objective before us.

I would like to conclude my speech with the couplet "Khudi Ko Kar Buland Itna Ki Har Tadbir Se Pahle Khuda Bande Se Khud Puchhe Bata Teri Raja Kya Hai." You should strive to attain such heights, even Almighty asks your wish before he decides your destiny.

SHRI K.D. SULTANPURI (Shimla) : Mr. Chairman Sir, the intention of the Bill is good. He wants to bring about an amendment in Article 51 of the Constitution so that the political parties do not incite religious sentiments and fight election on that basis. There is no mention in the Constitution as well as in the Representation of People's Act in this regard. Therefore it is all the more essential. In the recently concluded elections the Election Commission had instructed that no candidate would try to incite religious sentiments and disturb communal amity as it is detrimental to the unity of the country. During elections the candidates launch their election campaign by visiting Mandir, Gurudwara and Masjid. They seek the blessings of the Gods.

In my view no efforts should be made to fan communal or religious sentiments during the elections. All the responsible parties should refrain from doing so. There is no such provision in the Election procedure and the Constitution in this regard. Lot many things have been said here. During the election caste factor is also being raked up. Casteist feelings are also flared up during the Panchayat, Municipal and Assembly and Parliamentary elections. Every effort is made to divide the voters on caste basis. This is done to keep to votes intact. By dividing the votes we are dividing the nation. We Parliamentarians should strive to put an end to this.

17.52 hrs.

[DR. LAXMINARAYAN PANDEY *in the chair*]

I think there is no need to amend the Constitution. Stern action should be taken against those who incite communal feelings during the elections. A writ petition can be filled against him. These things should be kept in view.

Mamataji pointed out that in remote areas there are tribals, who have their own religions and rituals. There are different tribes. They fight elections on those issues. The area of Tehri Garhwal near Dehradun in U.P is adjoining my Constituency. It is a tribal area. We practice monogamy here. But in that area particularly in Transgiri a woman can marry five persons. This is a custom there. If their feelings are incited and they are told that in the present day world their custom is wrong, it would not be proper.

[Shri K.D. Sultanpuri]

They are happy with their customs. The area which falls in U.P is a tribal area but our area is not tribal. During elections their religious sentiments are incited. I would urge the Central Government to bring about some amendment so that this could be checked. Nobody can make the country strong by dividing the castes and communities. We are all one and the strong bond of brotherhood among us would keep the country united. It is only then we can make progress.

The spirit behind Private Members' Bills are always good as they comes from the core of their heart. Shri Mohan Singh has presented his case very well. I respect his sentiments. He has rightly said that the amendment has been brought about so that nobody is able to take political mileage out of it. Today an effort is being made to draw political mileage by flaring of religious sentiments. Nobody should try to incite such feelings. In our set up religious and political fora are separate. Today most of the people are religious-whether they are Muslims, Sikhs, or Christians. When we take oath here we take oath in the name of God or an affirmation. We have to take oath before elections. There is no need to go into further details of this Bill. You have rung the Bell. Shri Mohan Singh has brought a good Bill before the House. I would urge the Government to bring about an amendment in the Constitution to this effect.

[English]

SHRI SUDHIR GIRI (Contai) : I thank you for giving me this opportunity to speak on the importance of this Bill.

Shri Mohan Singh has brought this Bill. This Bill is very important. It should be discussed thoroughly because its implications are very very important.

Our Constitution is secular. The founding fathers of our Constitution have stipulated that our State will be a Central State and the basic features of the Constitution are federalism, Republican form of Government, secularism, Parliamentary form of Government and the authority of the Constitution.

Regarding secularism, it has been given to understand by the Supreme Court that the State shall have no religion of its own and all persons shall be equally entitled to freedom of conscience and the right to practise and propagate religion.

Secularism is so important to us that whenever any political party or any individual practices communalism or try to get votes by propagating a particular religion, we condemn him because we think that such way of getting votes through religious propaganda is a crime which should be prevented.

What is religion? Religion is a faith in extra terrestrial object and a belief in the omnipotent. Those who have such a belief think that beyond him, There is nothing.

18.00 hrs.

There are various religions. But we must know that religion is born out of the society. At a particular moment, during the evolution of the society, a particular religion has come out just as the *Bhagavad Gita* was written when there was a confrontation between the Buddhists and the Hindus. So, to protect the Hindus from the Buddhists, the *Bhagavad Gita* was evolved. In this way, we must know that outside society there is no religion. Those who are firm believers in the evolutionary theory say that in the primitive ages there was no religion at all. Subsequently, when the State was formed on the basis of some greedy people, religion came into being in the society. Every religion is, therefore, the manifestation of the social needs of a particular point of time.

Religion pertains to an individual. It does not pertain to a group. One may be born in a particular family belonging to a particular religion, but he may be converted to another religion. Shri Ramakrishna Paramahansa, the famous Guru of Swami Vivekananda practised Islam for a year or so. He had also practised Christianity for a year or so. After practising all these religions, he said that Allah, God and Ishwar are all one. We should condemn those who try to create division in the society among the individuals in the name of religion. There should be no scope for them to go to the people in the name of God or in the name of something else so that they can get votes.

Sir, now it is six of the clock. I shall take at least ten more minutes. May I be permitted to speak? ...(*Interruptions*)

MR. CHAIRMAN : For this Bill, only two hours are allotted. There are so many Members who want to speak.

SHRI SUDHIR GIRI : It is six of the clock now. Private Members Bill will continue up to six of the clock only.

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS AND MINISTER OF SURFACE TRANSPORT (DR. M. THAMBI DURAI) : He wants to know whether you extend the time of the House after six of the clock. You can take the sense of the House.

MR. CHAIRMAN : We started the discussion on this subject from 4.50 p.m. Two and a half hours are there for Private Members' Business. So, it should go upto 7.20 p.m.

SHRI N.K. PREMCHANDRAN (Quilon) : Earlier, it was decided to take up the matter of Maruti Udyog Limited at six p.m. ...(*Interruptions*)

SHRI SAMIK LAHIRI (Diamond Harbour) : Earlier an assurance was given by the Chair that at six of the clock the issue relating to Maruti Udyog Limited would be taken up under Rule 193.

[Translation]

MR. CHAIRMAN : Two hours were allocated for this item. Now it is already six O'Clock. If all the hon. Members agree we may extend the time a little bit. Discussion on this Bill was started a bit late. It is a Private Members' Bill and it was allotted two hours. It started 4.50 P.M. Earlier to that there the discussion was on the Budget. So two hours are not yet over. ...*(Interruptions)*

[English]

SHRI AMAR ROY PRADHAN (Coochbihar) : Earlier, it was decided by the Chair that we will continue this Bill later on and at 6 o'clock, we will take up Discussion under rule 193. ...*(Interruptions)*

SHRI SAMIK LAHIRI : Sir, with the consent of the House, the Chair, at that time, announced that Discussion under Rule 193 would be taken up at 6 o'clock. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : Sir, I am on a point of order. ...*(Interruptions)*. The ruling was given by the Chair that Discussion under Rule 193 would be taken up at 6 o'clock. So, we should start that discussion now. ...*(Interruptions)*

KUMARI MAMATA BANERJEE : It should be taken up after the Private Members' Business is over. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : That was the decision of the Chair. ...*(Interruptions)*

PROF. A.K. PREMAJAM (Badahara) : The rights of the Members will be violated if chance is not given for raising Discussion under Rule 193 now. ...*(Interruptions)*

[Translation]

MR. CHAIRMAN : Mr. Acharia had the Private Member's bill been taken up at the allotted hour of 3.30 hrs. it would have been completed by 6.00 P.M. But this business was actually taken up at 4.50 P.M. Therefore it is not proper to curb Members rights. If the Members agree we can take up the business under Rule 193 after this.

SHRI ADITYANATH (Gorakhpur) : Mr. Chairman, Sir, two hours are not yet over, therefore, it should continue. ...*(Interruptions)*

[English]

MR. CHAIRMAN : Hon. Members, please sit down. Hon. Minister is on his legs. He wants to say something. Please allow him to speak.

[Translation]

MR. CHAIRMAN : Please speak one by one. If you speak together no purpose would be served.

(Interruptions)

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : Mr. Chairman, Sir, since I am sitting here, three hon. Chairman occupied the Chair. According to the list of business this issue was to be taken up at 3.00 p.m. or immediately after the reply on budget discussion. The wisdom of the Chair decided that after the Finance Minister's reply this would be taken up. It was changed when the next Chairman decided that it would be taken up at 6.00 p.m. Now something else is being said. After all what is the matter. I cannot understand what is happening. ...*(Interruptions)*

SHRI CHANDRASHEKHAR SAHU (Mahasamund) : Mr. Chairman. Sir, when two hours have been allotted for Private Member's business it is logical that the discussion should be completed as this business was taken up at 4.50 p.m. ...*(Interruptions)*

[English]

SHRI SAMIK LAHIRI : Sir, this Bill may be continued in the next Session. There is no problem about it, But Discussion under Rule 193 should be taken up now.

[Translation]

MR. CHAIRMAN : It would be better if we take up the Discussion under Rule 193 after the time allotted for Private Member's Business is over.

(Interruptions)

MR CHAIRMAN : How can it be taken up in between. If we start business under Rule 193 now how can Private Member's business be taken up later. How is it possible?

[English]

SHRI BASU DEB ACHARIA : Sir, this Bill relating to the Private Members can be continued in the next Session also. ...*(Interruptions)*. But it was the ruling given by Chair that the Discussion under Rule 193 would be taken up at 6 o'clock.

[Translation]

MR. CHAIRMAN : Had the Private Member's business been taken up at 3.30 p.m. it would have been over by 6.00 p.m. As it was not taken up at 3.30 p.m. therefore, the next item would be taken up after this over.

(Interruptions)

[English]

SHRI K. KARUNAKARAN (Thiruvananthapuram) : I was present here. The hon. Minister was also present.

[Shri K. Karunakaran]

Then the Chair decided after taking the views of the House - and the House unanimously agreed - that it would be taken up at 6 o'clock. Now it is 6 o'clock. If two and half hours time were to be given to the Private Members' Business. It should have been taken up at 3.30 p.m. So, let the Chair decide about the proceedings of the House.

[Translation]

SHRI ADITYANATH : Mr. Chairman, Sir, had the Private Member's business started at 3.30 p.m. the discussion under Rule 193 could also have started at 6.00 p.m. But our friends from the opposition particularly our Communist brethren did not allow it and therefore the business was taken up at 4.50 p.m. Two hours were allotted for this and therefore the discussion under Rule 193 could be taken up only after 6.50 p.m. and not before that.

[English]

MR. CHAIRMAN : Why are you complicating this matter?

(Interruptions)

[Translation]

MR. CHAIRMAN : Please sit down. As the Private Member's business was not taken up at 3.30 p.m. therefore, discussion under Rule 193 cannot be taken up at 6.00 p.m. Please allow the two hours time allotted for Private Member's business to be over. We can take up discussion under Rule 193 thereafter.

[English]

I am taking the sense of the House again. If the House agrees then we can take up the next business.

SEVERAL HON. MEMBERS : The House has not agreed.

MR. CHAIRMAN : The House is divided now.

(Interruptions)

SHRI S. JAIPAL REDDY (Mahabubnagar) : I am on a point of order. Thank you for the opportunity.

SHRI K. BAPIRAJU (Narsapur) : Why should you thank the Chair so many times.

PROF. A.K. PREMAJAM : That is the courtesy.

SHRI S. JAIPAL REDDY : Sense of the House on any given issue can be taken; but only once. Before you took over as Chairperson, your predecessor who was in the Chair took sense of the House and gave a decision that irrespective of the state of the debate on the Private

Members' Bill this issue would be taken up at 6 o'clock. It is not legally correct to take sense of the House a second time on the same issue in the course of the same day.

MR. CHAIRMAN : I am taking sense of the House to know what would be the fate of the Private Members' Bill. So, I have to take sense of the House.

(Interruptions)

MR. CHAIRMAN : The House is divided. Please sit down.

SHRI BASU DEB ACHARIA : We were allotted time but we are not allowed to speak. ... (Interruptions)

MR. CHAIRMAN : Please take your seats.

SHRI BASU DEB ACHARIA : This was the decision taken by the Chair. ... (Interruptions)

SHRI N.K. PREMACHANDRAN : They are trying to stall this discussion because they want to hide the facts.

MR. CHAIRMAN : The hon. Minister is ready.

SHRI RUPCHAND PAL (Hooghly) : This is a serious matter. ... (Interruptions)

SHRI SANIK LAHIRI : This is not correct.

SHRI ANIL BASU : You are creating a very bad precedent. ... (Interruptions)

[Translation]

SHRI CHANDRASHEKHAR SAHU (Mahasumand) : Mr Chairman, Sir, the House does not agree to it. ... (Interruptions)

[English]

MR CHAIRMAN : This is not proper.

18.16 hrs.

At this stage, Shri Basu Deb Acharia, Shri S. Jaipal Reddy and some other hon. Members left the House.

SHRI A.C. JOS (Mukundapuram) : Sir, there is a ruling from the Chair. ... (Interruptions)

MR. CHAIRMAN : You will be given time after completing the Private Members' Business.

SHRI BHUBANESWAR KALITA (Guwahati) : The ruling is on record.

SHRI A.C. JOS : Please look into the record. ... (Interruptions)

MR. CHAIRMAN : Let us hear Shri Karunakaran.

SHRI K. KARUNAKARAN : Sir, at present, you are the Chairman. We will treat a ruling given by the Chair as a ruling given by the hon. Speaker. Your predecessor gave a ruling that the discussion will take place at six o'clock. ...*(Interruptions)*

[Translation]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : Mr. Chairman, Sir, we leave it up to you. Whatever you decide would be acceptable to us.

SHRI NARENDRA BUDANIA (Churu) : Mr. Chairman, Sir, the Government is afraid of discussing this important matter under Rule 193. They want to avoid it. This is not proper. This is anti-democratic. ...*(Interruptions)*

SHRI MADAN LAL KHURANA : You see, if you want to discuss, our hon. Minister is also waiting for it. He also wants to say something. ...*(Interruptions)*. Mr. Chairman, Sir, Yesterday also I had said that for the last three days only one side of the story is being presented. The hon. Minister should also be allowed to present the other side of the story. I had requested the hon. Minister to present the view point and he had agreed. I would request you that those who want to speak on the Private Member's business may be allowed another half an hour and discuss *(Interruptions)* and then we may take up the next item. ...*(Interruptions)*

[English]

SHRI BHUBANESWAR KALITA : There was a ruling from the Chair that it would be taken up at six o'clock. ...*(Interruptions)*. Why are you changing it all the time? ...*(Interruptions)*

MR CHAIRMAN : We are not changing the ruling. We are not departing from that. I am only saying that they may be given another half an hour to speak on the Private Members' Bill. Then, we will take up discussion under Rule 193.

(Interruptions)

SHRI A.C. JOS : Sir, I raised a point of order. At that time the Chairman gave a ruling that it would be taken up at six o'clock. ...*(Interruptions)*. You see the record. The Chair ruled that it would be taken up at six o'clock. That is why we are here. Now, it is past six o'clock. So, it should be taken up. Now, what is the difficulty in taking up this? ...*(Interruptions)*

DR. M. THAMBI DURAI : The hon. Members have every right to take a decision. We have no objection to that. But the Private Members' Business has got its own sanctity. The system is that two and a half hours are allotted for discussing the Private Members' Business. If we change that it will set a bad precedent. The Private Members may lose their rights.

Shri Basu Deb Acharia wanted that discussion under Rule 193 should be taken up at six o'clock. The Chair ruled that it will be taken up at six o'clock. ...*(Interruptions)*. You want to take up discussion under Rule 193. Do you want other hon. Members to give up their right to speak in Private Members Business? If we set a bad precedent, a time may come when every Friday the Members will lose their right. This is my humble suggestion. ...*(Interruptions)*. It is left to them. ...*(Interruptions)*

SHRI A.C. JOS : Sir, a week before last the same thing happened. We shifted the Private Members' Business from Friday to Tuesday. ...*(Interruptions)*

DR. M. THAMBI DURAI : That is what I am saying. Do not create that kind of a precedent. Then, we will lose that right.

[Translation]

SHRI MADAN LAL KHURANA : Please allow this discussion for another half an hour. ...*(Interruptions)* Please agree with me ...*(Interruptions)*

[English]

DR. M. THAMBI DURAI : It is a rare opportunity given to Private Members. The Private Members should not lose that right. ...*(Interruptions)*

MR. CHAIRMAN : We are not departing from tradition. We will complete the Private Members' Business within half an hour. ...*(Interruptions)*

SHRI P.C. CHACKO (Idukki) : The Government is not willing for a discussion. ...*(Interruptions)*

MR. CHAIRMAN : The Government is willing for a discussion under Rule 193. ...*(Interruptions)*

SHRI P.C. CHACKO (Idukki) : This was very much on the agenda. The Government is evading the discussion. ...*(Interruptions)*. I do not want to be interrupted. We want to say something to the Chair. Hon. Minister, please understand that. Hon. Minister is trying to evade the discussion. Unfortunately, we are at the receiving end. We are not getting the protection of the Chair.

So, a notice was given to raise a discussion under Rule 193. It was also listed to be taken up at 3 p.m. We gave a concession and said that let the hon. Minister complete his speech. We expected that the Government will also show the same generosity. Now they want to avoid the discussion. ...*(Interruptions)*

SHRI SIKANDER BAKHT : Who is avoiding a discussion? I am sorry, we are not doing that. ...*(Interruptions)*

SHRI P.C. CHACKO : We are also fighting for the privileges of the Private Members. We are not for interrupting their business. ...*(Interruptions)*. It is unfortunate that the Parliamentary Affairs Minister is doing like

[Shri P.C. Chacko]

this. They wanted the discussion on the General Budget to be over; we supported them. Now that it is over, they think that their problem is also over and they are not willing to listen to us. ...*(Interruptions)*

[Translation]

SHRI MADAN LAL KHURANA : For the last 15 minutes you are arguing. ...*(Interruptions)*. If you had started discussion on Private Members business it would have been over by now.

[English]

SHRI A.C. JOS : We wasted more than an hour in arguing this aspect. ...*(Interruptions)*

SHRI P.C. CHACKO : Why are you hesitant to have a discussion? ...*(Interruptions)*

SHRI K. KARUNAKARAN : Initially, to take up this discussion, the time was fixed at 3 o'clock by the Chair, Unfortunately, to accommodate the Government business, we have agreed to postpone it. ...*(Interruptions)*

MR. CHAIRMAN : It is Private Members' Business.

(Interruptions)

SHRI K. KARUNAKARAN : The hon. Minister concerned also agreed to it and said that we would take it up at 6 o'clock. Now if we are not allowed to discuss this vital issue, it is unfortunate. This issue is not a small issue. This will put the Government at a spot with evidence. So, they are afraid. They are very much worried about it. ...*(Interruptions)* So, They do not want to do it. ...*(Interruptions)*

MR. CHAIRMAN : No. They are also willing to take it up. They are asking you to wait for half-an-hour.

(Interruptions)

SHRI K. KARUNAKARAN : The Government is selling the nation's property to private party for nothing. We do not wish to associate with it. We would walk out.

18.28 hrs.

At this stage, Shri K. Karunakaran and some other hon. Members left the House.

[Translation]

SHRI MADAN LAL KHURANA : Mr. Chairman, Sir, let me reply. ...*(Interruptions)*

Sir , I want to bring it on the record. Just now Shri Karunakaran made a submission. I would, with your kind permission, like to make my point in that context. The hon. Minister will say how corruption took place in Maruti Udyog

Ltd. How 10 per cent shares were transferred and Suzuki was given the right of ownership? Everything will come to the fore including transfer of 10 per cent shares to Suzuki in blatant violation of rules. The hon. Minister is sitting ready since morning. I requested that half an hour more time be given for discussion on Private Members' Business. Had my request been accepted, the discussion would have been started by now ...*(Interruptions)* It means they do not want a discussion. They only want to defame. They want to twist the facts. I myself accepted the view because there was a one sided opinion being given for the last three days. It looked as if there was widespread corruption and it was sell-out. ...*(Interruptions)* The other view was not known to the Members. That is why, I requested the hon. Minister to present the other side of the view. ...*(Interruptions)* We are interested but Private Member's Business has its own importance. That is why, you gave your ruling. Although our Members were adamant, I persuaded them to agree on discussion for another half-an-hour. Had they agreed, the discussion would have started as it is already 6.30 P.M. now. It clearly shows that they are doing so deliberately. They feel that if the position is cleared by the Minister, they will have nothing to complain.

Hence, such charges are being levelled. It is their political trick and that is why, they have staged a walk-out. I have mentioned this point because if a statement is made by the Minister, it will be alleged that the statement was made in the absence of the opposition. Therefore, I feel that we will have to talk to the Hon'ble Speaker and remain prepared for a discussion in next session. They allege that we want to avoid a discussion. As you have seen, the hon. Minister who is the leader of Rajya Sabha, has been sitting here to clear the cloud. ...*(Interruptions)*

KUMARI MAMATA BANERJEE (Calcutta-South) : But, we want to hear him.

SHRI MADAN LAL KHURANA : Then, again they will complain that they were not given a chance to speak. Therefore, I request that this issue, as the hon. Speaker had said, should be kept alive and taken up after the House reassembles. We are ready for a discussion. We are not shirking because our conscience is very clear. This Government is responsive and transparent. It is prepared for a discussion any time. ...*(Interruptions)*

[English]

MR. CHAIRMAN : Are we continuing with the Private Member's Business?

DR. M. THAMBI DURAI : Yes, up to 7.20 p.m.

[Translation]

SHRI MADAN LAL KHURANA : Please continue Private Member's Business and give enough time to the

Members by keeping this issue alive. We have no objection if it is taken up when the House reassembles on 3rd July.

[English]

SHRI MADHUKAR SIRPOTDAR : Sir, basically, the encroachment upon the Private Members' Business was wrong. We should not have agreed to have this discussion under Rule 193. ...*(Interruptions)* That is the basic mistake we have committed. ...*(Interruptions)* We should not have done it whatsoever may have been the reason.

[Translation]

SHRI MADAN LAL KHURANA : It was to be taken up at 3.00 P.M. It was hoped that the Minister of Finance would speak at 3.00 P.M. for half an hour and then Private Members' Business could be taken up from 3.30 P.M. to 6.00 P.M. But the way Shri Mulayam Singh and other hon. Members did not allow the House to be run for one and a half hour in the meeting. ...*(Interruptions)*

[English]

MR. CHAIRMAN : Now, we are continuing with the Private Members' Business.

DR. M. THAMBI DURAI : Yes, up to 7.20 P.M.

MR. CHAIRMAN : Shri Sudhir Giri was on his legs. He is not present. Now, Shri Adityanath.

[Translation]

SHRI ADITYANATH (Gorakhpur) : Mr. Chairman, Sir, I rise to support the Constitution Amendment Bill, 1998 introduced by Shri Mohan Singh seeking for insertion of a new Article 51B. It has been provided in the Bill that there should be a ban on the political parties or candidates who seek votes on the basis of religion or castes and by inciting religious feelings. It is, no doubt, a praiseworthy step. However, I would like to say that the way religion is being interpreted in this House, a wrong message goes down to the people. One of the Members' has rightly interpreted religion. I would say that there could be no definite definition of religion. Unity in diversity is the hallmark of our nation. The following *Mantra* had also originated from this country:

Vedah Vibhinn Smrittyo Vibhinn
Naso Muniyasyah Matam Vibhinnam
Dharmasya Tatwam Nihitim Guhayam
Mahajan En Gat Sah Pantha.

But unfortunately, we never tried to understand that characteristic for religion. Under 42nd amendment to the Constitution also, we have been interpreting the word 'secular' as 'religion'. If we separate the religion which has taught us the lesson of morality in the name of honesty and duty, what will be the status of society? I feel that

today, we are reaping political benefit by inciting religious, caste and other feelings.

The problems of minorities were also touched upon in this House. Do minorities include those people who are in less number in a Hindu majority region? Are Hindus not in minority in Kashmir? Have the hon. Members ever found time in this House to think about the minority Hindus of Kashmir who number around 3-3.5 lakhs and are wandering from place to place as refugees and also about the state of affairs in North-Eastern States. In Mizoram, more than 51,000 refugees belonging to Riyang tribes have been expelled from Mizoram. Did the hon. Members sitting here ever think about their plight? Only Muslims have been considered minorities for gaining political mileage. Why does a discussion not take place on the minorities of North-East and Kashmir? In 1984, communal riots had taken place. Are Sikhs not in minority in this country? Do we not play with the feelings of the people of this country when we witness passions running high here? ...*(Interruptions)* Do we not play with the feelings of the people when a Member wants to raise any problem here but he is not allowed to speak and his speech is interrupted? We will certainly have to think in this regard. ...*(Interruptions)**

The need of the hour is that a message should go down to the people of the country through this House that whatever is being passed from this Parliament, that would be beneficial. ...*(Interruptions)*

MR. CHAIRMAN : Please conclude.

SHRI ADITYANATH : Mr. Chairman, Sir, I am also in a hurry. I have to leave and catch the train at 7 O'clock. I have risen to speak only on this issue.

I would submit that there should definitely be a ban on seeking votes by inciting religious feelings. A provision already exists in this regard. What is religion? If we create a feeling of self-pride among the people of the country, we are dubbed as communal or religious fanatic. But, there are some parties whose manifestos are based on casteism and they incite caste feelings. Do they not indulge in wrongdoing? Should they not be banned? We are for imposition of a ban on those parties which incite the feelings of the people. But, who will impose it? Who will think about it? It is observed that some political leaders pay a visit to Jama Masjid to get a *Fatwa* issued from there. Is it not wrong? Do they not ask for votes on the basis of religion?

We talk of giving equal rights to the woman in this country. But why did we set aside the provisions of our Constitution in Shah Bano Case? Article 44 of the Constitution provides that there should be equal rights and

* Expunged as ordered by the Chair.

[Shri Adityanath]

common civil code for every citizen of the country. But we do not have such common civil code in the country at present. Though we talk of it but we talk one sided only. We have never made serious efforts to know the essence of religion keeping in view the society and the country. Therefore we should discuss this issue in detail and definitely incorporate it in the constitution. But it should be implemented sincerely. People in this country are behaving in a dogmatic way even after 50 years of our independence. We have forgotten why this country was divided. We talk of protecting the minorities just to attain our political ends. But we never talk of minorities residing in Kashmir, North East or other parts of the country. This country has always believed in the motto - "Sarve Bhawantu Sukhin" (Let all people be happy). This very country has given a slogan of "Vasudhaiv Kutumbkam" (The whole world is a family) to the world. Let this slogan be resounded and spread through this House and by every Member of this House. However, first of all we need self introspection. We would have to first reform ourselves and work rising above narrow political ends. Definitely when we think of applying these things first to ourselves then only we would be able to succeed otherwise we would go on enacting laws after laws and they would be applied to poor, helpless and vulnerable. Such laws would never be invoked against those who play with the constitution.

Sir, I thank you for giving me an opportunity to participate in this discussion. A full debate should be held on this subject in which every Member could express his views and the quintessence of religion should also be discussed threadbare. With these words, I support the Bill and conclude my speech.

SHRI PRABHU DAYAL KATHERIA (Ferozabad) : Hon. Chairman, Sir, I thank hon. Mohan Singh ji for bringing this private Member's Bill.

AN. HON. MEMBER : Though he brought it, he is not present.

SHRI PRABHU DAYAL KATHERIA : He should have been present here. My colleague has expressed the sentiments of Members of this House.

Anyway, I would like to express my views on this subject. Hon. Member has put forth his views. Several hon. Members have stressed the need to delink religion from politics but they have not taken pains to go into the essence of the religion. Religion is the soul of this country and the society. A person who is detached from religion does not have any asset. This is what I have felt. I support the Members speaking prior to me because they touched the ethos of this country but I do not subscribe to their views that the religion should be delinked from politics. If you go into the definition of the religion then only you would

appreciate the essence of the religion. Religion is woven in the fabric of customs and tradition of this country since very early period. It is there even politics came into being. It has been the soul of this country. Religion is the shield of this country and society. I want to draw the attention of the Members of this August House that when a person is called as a witness or makes any statement in the Court, he is made to swear by the Holy book 'Gita' that he would speak truth only and would not tell a lie. This is what religion is. Even in the lobbies, on curves and on gates of Parliament House we find inscribed the Mottoes and essence of religion like: "Jahan Sumati Tahan Sampati Nana, Jahan Kumati Tahan Vipati Nidana" (where good sense prevails, all sorts of wealth and prosperity are abundant and where wickedness haunts the mind, there is adversity galore). There is no dearth of such good teachings. Even the chair you adorn, Sir, it carry such sorts of teachings. We find the definition of religion inscribed on the walls of the premises of this Parliament House from where the politics begins, from where we run the entire system, make constitutional provisions and set norms for politics. How the religion could be separated from the politics? I am making this statement with all responsibility. A person unaware of his own religion, unconscious of his duties is liable to commit any misdeeds or go astray anytime, anywhere and in any manner, it cannot be predicted. I further assert this point that a person having no knowledge of religion can hardly follow the path of principles. A person well versed with religion will make a statement on any issue showing full responsibility towards his family, his country, nation and his society. I am very much perturbed at the interpretation of religion by the hon. Members. They were mentioning how the Hindus in minority in Jammu & Kashmir North-East region are treated. We have a population of 90 crore which is going to be 100 crore soon. We talk of minorities in other major countries but in our country we take great care of them protecting and providing them everything. But if you look into the situation prevailing in other countries, you would know the real condition of the minorities there vis-a-vis that exist in India.

Mohan Singh ji has moved this Bill. However, I being a Member of ruling party would like to submit that let the Government bring forward a Bill on this subject and there should be a detailed discussion it. Then the amendments, may be incorporated if required. In the scenario of rampant corruption in all political parties candidates who are facing scores of charges are being fielded. These candidates are also elected as Members of Parliament in Lok Sabha. What contribution can they make to this society? what can

we expect from them towards this country and the Government? Our laws require amendments to deal with such elements? A political party fielding such persons should be derecognised. A member of Parliament represents ten to twenty lakhs people. Lakhs and crores of people have great expectations from us. If people belonging to this that party seek to win the elections inciting the communal or casteist sentiments they should be punished. If we do not hold a comprehensive discussion on this subject in the coming days, the country would be divided in the name of castes. Today, casteism poses a great threat and it should be eliminated otherwise this country would be divided in different communities. An Hon. Lady Member was just making her speech in English. I would like to say it in Hindi. She said that efforts should be made to eliminate untouchability and amendment to this effect be made in the constitution.

The people of the country look to the Parliament with great hope but they are not getting justice. The party with the majority run Government but the north block and south block turn deaf ears to the woes of the poor. Even today, poor do not get justice and if they do not get justice, the country would be divided on casteist lines. Casteism in even more venomous that inciting the sentiments of communalism. Political leaders are meeting their political ends by inciting casteism particularly, in Madhya Pradesh, Bihar and up.

Religion in our soul and shield of this country. It is the responsibility of all of us as to how we could mould our religious sentiments. I support the bill moved by Sh. Mohan Singh ji, however, I would like to add that today casteism poses grave threat and we have to give serious thought in this direction in priority. I have been returned to this House for the third time. It is my experience since the 10th Lok Sabha that vulnerable people do not get justice. I, therefore, request the Government to bring forward a comprehensive Bill in this regard which should reflect the sentiments of the whole House without mixing religion with the constitution thereby evolving a proper order and system.

With these words, I conclude my speech.

[English]

SHRI A.F. GOLAM OSMANI (Barpeta) : Hon. Chairman, Sir, it is unfortunate that we had to resume the discussion on the Bill after an unhappy episode. I feel that the problem arose because of the observations, I do not say rulings, made by the Chair from time to time. But essentially, in the present scheme of things, the Private Members' rights as reserved for a day should never be trampled upon. If there are emergent circumstances to discuss some issue, arrangements should be made accordingly. To suspend the discussion on Private Members' Bills without taking the consent of the House

in specific should not be done through hasty pronouncements. Hon. Chairman, Sir, you should not set a precedent for the future. Once it is done, people go on saying that it was done on such and such occasion.

Mr. Chairman, Sir, a very important issue has been raised today, namely, a proposal to amend the Constitution with specific reference to some terms used in it. Terms like secularism, democracy and republicanism have been discussed. But the Constitution that was adopted in its simple form could cover all the things that are being said in the House today.

Yet, the content of our approach has been democracy. No amount of change in the Statute or in the Constitution will change our determination. You can define what is secularism or you can define what is religion. But are you in a position to enforce it in our society so that it can be reflected in our political activities? Contrast between the content and the form has become express in many amendments in our Constitution. Now, a crisis has come in our country whether this form of parliamentary democracy, Cabinet system, and the parliamentary system can be run at all. How are we going to define religion? Now, so many speakers, including Kumari Mamata Banerjee have observed that there is no conflict in the religion. An hon. Member quoted the Saint Ramakrishna Paramahansa Dev - *Jota moth toto poth*. This is true. It is a philosophical understanding of the religion. Every religion speaks of peace. We practice Islam, the very name of which means peace. Contradictions come in while practising the religion in social contracts. How are you going to do it or how are you going to confront it? It is the factual reflection of people practising a religion which comes into contradictions with other religions. It is said that in India when the religionists fight - I cannot say, religions fight - the law of nuisance should be applied strictly because sometimes in the pretext of religion, we practice such things which automatically hurt others.

We, in India, have been seeing for nearly hundred years that a right to hold procession in front of the mosque by beating the drums or sacrificing a cow disturbing the sanctity of a religious place by hurting the sentiments of other citizens became a lively issue in our day to day politics. But if law of nuisance had been applied, as understood by the jurists, nobody would have had the right to hurt another by doing a thing which hurts the society. Therefore, I would like to request the mover of this Bill to expand the scope of the amendment. There should be a fundamental amendment. We feel that this piecemeal amendment would add more amendments to the Constitution but the basic nature of the thing would not change.

At this moment, we are faced with a grave situation where the democracy expressed through our Constitution, based on parties can run the Executive Government of our

[Shri A.F. Gokam Osmani]

land. I would like to request the mover of the Bill to reexamine the amendment as to whether we are in a position to run the Executive Government as things have developed.

They say that the age of coalition has come. But nobody has said it that surely the coalition will give continuity. I would like to remind the House of an observation made by Shri Vasant Sathe nearly two decades ago when he asked whether a time has come to bring a change in the constitutional structure of the Government.

Recently some pronouncements were made as to whether Presidential form of Government has become essential to run the Executive Government of our country. I, in a casual way, though, observed these things that it should also be discussed at greater length that in which form the constitutional Government of this country can be run.

Some observations were made by my friends in the Treasury Benches that religion cannot be divorced from the essence of the Statecraft. Nobody quarrels on this point that religion, as we understand it, and morality has no conflict with institutions which are run purely on moral basis. So my request to the mover of this Bill is to examine that aspect also.

MR. CHAIRMAN : If you want to speak on this subject, you can speak later.

[Translation]

Two hours' time was fixed for this purpose and that is now going to be over. If the August House so wishes, it may be further extended by an hour and the time allocated till 7.20 p.m. should be utilised today and the rest of the time may be fixed for the next day. We will sit upto the time fixed for the day. Does this House agree to it?

SHRI SATYA PAL JAIN : Please extend the time.

MR. CHAIRMAN : All right.

[English]

SHRI A.F. GOLAM OSMANI (Barpeta) : I conclude my speech with thanks and with an appeal to the House to think about the Bill in a wider context.

[Translation]

SHRI CHANDRASHEKHAR SAHU (Mahasamund) : Mr. Chairman, Sir, today, we are discussing the Private Member's Constitution (Amendment) Bill. No.32 moved by our learned friend Mohan Singh ji. The points and issues towards which I wish to draw the attention of the House

and or the mover of this Bill will prove very vital to the Parliamentary democracy and the Constitution under which we are working.

Mr. Chairman, Sir, above the Hon'ble Speaker's seat there is an inscription :Dharmchakra Pravartanayah". The day I was elected by the people and came to this sacred and August House. I was inspired by these words inscribed over there. Hon. Member may recall that sometime ago there was a debate on religion and politics in the country. The then Government and Shri Narsimha Rao's Cabinet had decided to impose and enact such a Bill. At that time talks did round all the country over as to how banned can a particular party be on political grounds to create hurdles some how or the other for that party.

19.00 hrs.

Mr. Chairman, Sir, I would like to draw the attention of this House towards subsection (e) of 51(a) of the new article in this Constitutional amendment dealing with fundamental duties. It clear states that.

[English]

I now quote article 51 (a)(e):

"It shall be the duty of every citizen of India to promote harmony and the spirit of brotherhood amongst all the people of India transcending religious, linguistic and regional or sectional diversities;...."

[Translation]

If the Government do not want that such a provision be not included in that article for we shall have to consider the relevance of religion which is very much related to every aspect of our life and we cannot separate ourselves from it. Time and again, it is said that politics takes a religious colour. I think it is a way to publicise it. Mr. Chairman, Sir, we are aware that there is a proposal to review the Constitution in this Golden Jubilee Celebration year of Independence. The Law Minister of the new Government is present here who himself had been the Deputy Speaker. He may please explain as to how this Constitution would be reviewed. This point has been included in the National Agenda. I would like to draw your attention towards one proverb as we all know "Dharmo - Dharmo Rakshitah". Religion protects those who protect religion. When we are taking of religion and politics, we should decide first as to how we view at religion. Mr. Chairman, Sir, the Hindi - English Translation of the word 'religion' in the Constitution and in the book published by Rajbhasha Vibhag, it has been translated as "Dharma". If we minutely observe it the translation of "Dharma" cannot be "Religion". This word carries a very wider mean. If we assimilate this word properly. I think there will be no need to politicise it. Mr. Chairman, Sir, it has been said in the

objects and reason of that Bill. "it is proposed that it should be the foremost duty of each political party and candidate to ensure that votes are not sought by inciting communal sentiments during elections. We have followed the West Minister System in which votes are significant. In this way allegations can be made on anybody and everybody. Here, there are many Members who wear saffron clothes. It could be said that such clothes symbolise a particular religion. He will have to part ways from life and world. Mr. Chairman, Sir, being a very serious Members he has brought and incomplete Bill which is beyond my understanding. Therefore, I would like to submit in your presence to build public opinion as to how religion and politics can be separated. Mahatma Gandhi is often quoted in this House. Politics without religion is direction less. Nobody can say as to what will be the end of politics which opposes religion. Mr. Chairman, Sir, I, therefore, would like to urge if an amendment is brought in this regard, it must be brought with maturity. The Government, which is in power today wants to give a new shape to the Constitution and wishes to discuss about its new shape. There is no intention to change this Constitution. We want to review the changes that have occurred in the last 50 years and the House should offer its views about it.

Finally, I oppose the Bill in its present form and I conclude with the remark that there is no justification for it.

SHRI BASWARAJ PATIL SEDAM (Gulbarga) : Mr. Chairman, Sir, the Constitution Amendment Bill brought by Shri Mohan Singh is a self contradictory one. In his heart of heart he thinks differently and the words used therein are not at all acceptable. Religion occupies on special place in the country in which we are living. Wife and husband are bound to each other by a sense of duty. A son has his duty towards his father, traders, servants and politicians also perform their duties and this duty has a religious connotation. Dharma shows the right path. In this sense if the administration of the country is run on the very basis of religion, the country will achieve prosperity. It would be a narrow outlook to say that religion incites casteist feelings and causes great damage to the country. Our forefathers have provided a very sound foundation to religion. They did not found it only for an individual or for governance of other State. They also gave a good shape to religion to observe restraint among all creatures, birds and animals and among people of various communities of the society. We have a well established tradition in our country. Some people have adopted a wrong path of politics. Those who indulge in casteism malign religion. Those who fall prey to such a notion define religion in various ways. In this Constitution Amendment Bill the thinking and the expressions are quite contradictory. The day the Governance of the country will be guided by religion, the country will achieve prosperity. The politics of

casteism which is termed by many people as third class politics, the country should be saved from such politics. With this view in mind I oppose this Constitution Amendment Bill brought here by the hon. Member.

I liked the submission made by hon. Mamtaji. She said that if a sari is torn for 78 times and then worn, it would not look good. On the same analogy several amendments brought during the last 50 years in the constitution have changed the shape of politics.

A new thought has been given in our national agenda. It has been said therein that Constitution would be reviewed. Good things have to be added for the welfare of the country so that amendments are not required to be brought every now and then. There is a policy in this regard in the national agenda about which we have to take an initiative. For this a Committee should be constituted immediately. We should send our views to that Committee and an effort will have to be made to eradicate the ills creeping into politics. This would certainly bring a new change in the country. In today's context my sentiments get hurt to find that the word "Dharma" is dishonored time and again. "Dharma" has a special connotation. It has its own respect and speciality. It makes a person great. The soul of the country lies in it. If the country follows the path of religion it would not only bring welfare to the country but to the whole human society. The country will develop with the real balancing of the universe. This is the view that we have to adopt. As I have already said the words used in the Constitution Amendment Bill brought by the hon. Member do not match his thinking on the subject. And this is the reason that these words do not fit in as they ought to be. Therefore, I would like to urge him that he should reconsider this amendment and under the new policy of the Government put this matter before the committee and get it considered by the great constitutional experts of the country. We will send our views to the said Committee for consideration and whatever is deemed fit for amendment that will come up before the Parliament for consideration and if it is passed by a two-third majority. It will benefit us for a long period of time. Keeping this view in mind I oppose this Bill as religion is the soul of the country. All individuals and the politics of the country should follow the path of religion and every one in the society should mould himself in the direction. Therefore, I think that there is no need to add other things to article 51 of the Constitution. It is not required in the present situation. Having said this, the hon. Member must also have felt that his feelings do not match with the words used in this Bill as these words give a different shade of meaning. He said very candidly that this amendment should be kept away from politics and religion. When the Congress party was in power, they made an effort to bring a Bill in a haste on this very word. Yatras were organised throughout the country and public opinion of the whole country

[Shri Baswaraj Patil Sedam]

was unanimous at that time. Later on what happened, the people who wanted to support the Bill, came to their senses and realised that they were going to support a wrong thing and it might cost them dearly in the time to come. The said Bill brought by the Congress Government was abandoned. This Bill is a miniature form of the above Bill. If we give Dharma a different meaning and separate it from the soul of the country, it will a sort of blow to the country. This Bill does not recognise the Indian culture, Indian life style, Indian tradition, Indian values and Indian thoughts. Some people are trying to meet their narrow political ends in the name of caste, backward class or by making any other thing an issue, in the days to come such narrow things are likely enter into Indian politics. Since the hon. Member is very touchy about this, I would request him to move his amendment in a different way so that his feelings could be given a practical shape. In my view the present shape of the amendment is not acceptable. It suffers from some deficiencies which I have already mentioned. I, therefore, oppose the Amendment Bill with the hope that the hon. Member would go into the Bill in its entirety. With this submission I conclude.

19.13 hrs.

[English]

MESSAGE FROM RAJYA SABHA

SECRETARY-GENERAL : Sir, I have to report the following message received from the Secretary-General of Rajya Sabha:-

"In accordance with the provisions of sub-rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (Railways) No.2 Bill, 1998 which was passed by the Lok Sabha at its sitting held on the 9th June, 1998 and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

19.14 hrs.

CONSTITUTION (AMENDMENT) BILL

(Insertion of new article 51B)—contd.

SHRI C.P. RADHAKRISHNAN (Coimbatore) : Respected Chairman, I first pay my respects to *Bharat Mata* and my apologies to this August House, that despite being a son of the *Bharat Mata*, I am not able to deliver my speech in the *Rashtra Bhasha* because of the appeasement policy of the Congress. There is no Hindi in my State from 1967 onwards. Because I have completed my education without Hindi it is very difficult for me to learn that language.

Like that there is appeasement everywhere. Of course, the appeasement of Kashmir created a big problem for the country today.

The three wars of Pakistan were due to the Kashmir problem. Like that, wherever the appeasement is there, everywhere we are facing the problem. There is a lot of appeasement in the North-Eastern region. The problem never reduces there, instead of that it is always increasing.

I thank my respected friend, Shri Mohan Singh for giving me an opportunity to speak on the Constitution (Amendment) Bill, 1998. The very nation to Shri Mohan Singh looks like very generous and in a broad perspective, but in the real sense, I do not find it as generous. Politicians in the history of India always try to hide the facts to the youngsters so that the real history of the nation was never revealed to the young people. There is no political leader better than Mahatma Gandhi that the India has ever produced. Even Mahatma Gandhi could not prevent the partition of India. It shows that by appeasing somebody, always patting at the back, you will never get the real thing done. So, whenever there is a problem, there must be a determination to fight against it and whenever there is an *adharma* by anybody, we must determine to fight it out. My feeling is that India is a great nation. It has a very glorious culture and has a powerful heritage. The religion can never be isolated from the life of Indians. The religion is not at all a sin, it is a guiding factor in a person's life. If a person is more religious, there is very chance for him to be a more honest and perfect person. I feel, the religion should be understood in a proper manner and it should be understood in the most generous and broad perspective.

I want Shri Mohan Singh to consult everybody so that the real notion of the Bill will be fulfilled. Moreover, he has not said about the casteism, which is dividing the society into so many small groups and based on that casteism, powerful people in high positions are politically looting the nation. They call themselves as the leaders of *Kisans*, as the leaders of *Yadavs*, but the same leaders are looting the money kept for the cow's food. However, they call themselves as *Yadavs' leader*.

To my knowledge about the history and the *Itihasa*, even *Kansa* could not do this sin of looting the cow's food and those who are looting the cow's food are calling themselves as *Yadavs' leader*. So, I personally feel, if anybody is doing a harm to a cow, he can never be called as a *Yadav*, but they are calling themselves as *Yadavs' leaders*.

MR. CHAIRMAN : Shri Radhakrishnan, you can continue your speech next time.

19.20 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Friday, July 3, 1998/Asadha 12, 1920 (Saka)