

LOK SABHA DEBATES

(English Version)

Ninth Session
(Thirteenth Lok Sabha)



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Mr. Speaker

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LOK SABHA DEBATES

LOK SABHA

Friday, May 17, 2002/Vaisakha 27, 1924 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

ORAL ANSWER TO QUESTIONS

[Translation]

MR. SPEAKER : Shri Thawar Chand Gehlot, Question No. 741.

External Debt

*741. SHRI THAWAR CHAND GEHLOT :
SHRI A. NARENDRA :

Will the Minister of FINANCE be pleased to state :

(a) the position of India among the indebted countries of the world;

(b) the total external debt of the Government as on March 31, 2002;

(c) the amount India has to pay as interest against the total loan every year;

(d) the total amount of principal and interest paid to external/domestic creditors during each of the last three years, country-wise and Institution-wise; and

(e) the schemes of the Government to repay the debt and to get rid of the debt burden?

[English]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (e) A statement is laid on the Table of the House.

Statement

(a) India ranks *ninth* among the top fifteen indebted countries of the world in the year 2000 in terms of total external debt outstanding and it ranks *tenth* in terms of the Present Value (PV) of total external debt as per the latest Global Development Finance, 2002, (GDF) published by the World Bank. However, India is categorized as a less indebted country.

(b) The external debt of the Government as on end-March, 2002 against Multilateral and Bilateral sources was US \$ 40.58 billion.

(c) and (d) The principal and interest payment by the Government on external debt during last three years are as under:

Debt Service Payments on Government Account

(Figures in US \$ million)

Sl. No.	Creditor	April 01, 2000 – March 31, 2001			April 1, 1999 – March 31, 2000			April 1, 1998 – March 31, 1999		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1	2	3	4	5	6	7	8	9	10	11
I Multilateral :										
1.	IDA	367.89	137.66	505.54	329.83	139.13	468.96	287.69	134.28	421.97
2.	IBRD	829.79	319.86	1149.65	746.18	382.88	1129.06	730.40	415.77	1146.16
3.	ADB	117.16	159.24	276.40	96.65	147.04	243.69	80.95	130.29	211.24
4.	IFAD	5.44	2.16	7.60	5.46	2.20	7.66	5.05	2.06	7.10

1	2	3	4	5	6	7	8	9	10	11
5. Others		11.36	0.67	12.02	13.22	0.68	13.90	13.34	0.69	14.03
Total :		1331.64	619.58	1951.21	1191.34	671.93	1863.28	1117.42	683.09	1800.51
II Bilateral :										
1. Japan		319.14	227.51	546.65	288.49	228.25	516.74	241.08	189.51	430.59
2. Germany		111.89	27.12	139.01	123.96	34.41	158.36	136.20	43.00	179.20
3. United States		139.11	38.29	177.39	136.27	41.38	177.65	134.03	44.45	178.48
4. France		45.30	24.26	69.56	50.10	29.41	79.52	54.63	34.46	89.10
5. Netherlands		42.51	11.86	54.37	46.38	13.96	60.33	50.16	15.99	66.15
6. Russian Federation		57.25	8.45	65.70	59.24	9.45	68.69	53.36	11.16	64.52
7. Others		104.77	8.51	113.30	112.86	10.36	123.23	132.32	12.99	145.31
Total :		819.97	346.00	1165.98	817.30	367.22	1184.52	801.78	351.56	1153.35
Grand Total		2151.61	965.58	3117.19	2008.64	1039.15	3047.79	1919.20	1034.65	2953.85

Note : As regards External Debt there are no domestic creditors.

(e) The Government follows a prudent external debt management policy that focuses on external borrowing from only multilateral and bilateral sources concentrating on concessional and less expensive debt, keeping the maturity structure of the total external debt under manageable limits, limiting short-term debt, prepayment of more expensive external debt, encouraging non-debt creating financial flows on capital account and exports and invisibles on current account.

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Speaker, Sir, in the (b) part of question I had asked about the total external debt of the Government as on March 31, 2002. In reply, the information is given about the multilateral and bilateral sources, whereas in the reply to the question asked in the last session it was said that there are approximately nine types of loan-multilateral loan, bilateral loans, I.F. loan, Export Loan, Commercial Loan, NRI loan, F.C. loan, Ruwaya loan, long-term loan and short-term loan. I would

like to know from the hon'ble Minister, the total borrowings of the all these loans of the Government undertaken upto March 31, 2002, whereas the information is given about only two types of loan? My second question is about the amount India has to pay as interest out of its total revenue against the total loan it has taken.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, the hon'ble Member had asked.

[English]

The total external debt of the Government as on March 31, 2002.

[Translation]

There is one technical distinction in it, there is a debt stock of the Government and there is a debt stock of the entire country. The question has been asked about the entire country. We have given figures of debt stock as on 31 March, 2002, and figures of debt stock of the entire

country as on 31 March 2002 are not available, because it takes times. As and when the information is collected it will be made available in the House. I would like to draw the attention of the House towards two publications, in which all information about external debt is given in a transparent way and are placed in Parliamentary library. The information is available in those publications but at present that information is not available and when it will be available, we will place it in Parliament library.

Second question is about the combined total internal and external debt, we have discussed it in the House that approximately 48-50 percent goes in interest payment only.

SHRI THAWAR CHAND GEHLOT : Mr. Speaker, Sir, in the reply to the (e) part of question the hon'ble Minister has said that the Government follows a prudent external debt management policy that focuses on keeping the maturity structure of the total external debt under manageable limits. This is also a point. I would like to know from the hon'ble Minister whether the Union Government have taken any such decision on the basis of which the maximum limit of the loan is fixed, so that expenses should not exceed the income, and the country should not be declared as bankrupt? Alongwith, this is there is a policy to check the state-Governments who take loan from foreign countries?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, there is no such limit. We take cautions about external debt-whether it is about Government, public-sector or private sector...(Interruptions)

SHRI THAWAR CHAND GEHLOT : In the year 2002, the Union Cabinet has decided to fix maximum limit...(Interruptions)

MR. SPEAKER : Do not interrupt in the middle, let the hon'ble Minister complete his reply.

[English]

SHRI SUSHIL KUMAR SHINDE : He might be assisting the Government!

MR. SPEAKER : The assistance must be given by the Opposition Parties and not by the Ruling Party.

[Translation]

SHRI YASHWANT SINHA : Sir, I was saying that as per the norms adopted by us, there has been improvement in the debt stock of the country and if one see 15 most indebted countries of the world, whose data are maintained by the Organisations, like World Bank, we find that

[English]

In term of total external debt.

[Translation]

We are in ninth position. Secondly, we find that as regards.

[English]

Debt stock as percentage of GNP,

[Translation]

China is the only country, which is ahead of us among these 15 countries, India comes after it. We are ahead of all in short term debts and secondly in the matter of

[English]

Percentage of debt to foreign exchange reserves.

[Translation]

We are much ahead. Other people and World Bank say that today India is among the less indebted countries. There are severely indebted, moderately indebted and less indebted countries. We were categorised in less indebted countries in 1999. Therefore, it is fully under control and there is nothing to worry. I assure the hon'ble Member and the entire House that there is no question of bankruptcy. Secondly, the hon'ble Member has asked that the State Governments are directly taking foreign loans, I strongly refute it in the House, that no state Government is allowed, as per constitution and Government policies to directly take loan from foreign countries. All the external debts are taken by the Government of India, and according to the Set criterion we distribute it to the states.

[English]

SHRI A. NARENDRA : Respected Speaker Sir, my supplementary is regarding India's indebtedness position

vis-à-vis other emerging economies improved over the years. As has been indicated in the reply, now it is the ninth largest debtor. This is a great achievement for this Government. I compliment the hon. Prime Minister, the hon. Finance Minister and the Government for this.

But during 2001-02 we had over-stepped the net borrowing target for the year 2001-02. I would like to know as to how the Government will deal with the situation and cope with the repayment of the debt so that India may not go the South-East Asian way.

I would also like to know as to how the Government will tackle the problem of exceeding borrowing target so that a minimum level is maintained; and whether exceeding the targets in the borrowings is not likely to offset the overall financial condition and setting the targets.

How will the Government deal with the problem in future?

SHRI YASHWANT SINHA : As I have already mentioned in reply to the earlier supplementary, I am saying with all the emphasis at my command that this is not an area of concern. The external indebtedness of the country is, according to all the indices, very well under control. Sir, if you permit, I would like to share with the House the information that I was just giving that if you look at the overall indebtedness of this country in terms of all the indices from 1991, the beginning of the last decade, till today it has improved very substantially and that has been made possible, as I said, only because of a very, very cautious and very efficient management of the external position, external account of the Government of India.

The apprehension which the hon. Member has in his mind is with regard to the targets being exceeded. I have said that we do not fix any target as such. We have a target as far as the external commercial borrowing is concerned where we have a notional figure that this is the target within which we will operate, and it is very rarely that that is exceeded. In any case, in the last four or five years, the external situation has not been highly volatile.

The hon. Member referred to the East Asian crisis. We have had occasion in this House to discuss the ramification and the roots of the East-Asian crisis. Everyone knows that the reason for the cause of the East-Asian crisis was the percentage of short-term debts in these countries. As far as short-term debts are concerned, according to the figures

that we have, it was down to 3.5 percent at the end of 31st March, 2001. It is out of the total stock of the debt of this country. The short-term debt is defined as debt which is of a maturity of less than one year which is normally on trade account. Now this was down to 3.4 percent. If in 1990-91 this country had faced a Balance of Payments crisis, there were many reasons for it, but one of the reasons was the high percentage of short-term debt. So, over a period of time, it has been the effort of the Government of India to reduce the percentage of short-term debt at 3.5 percent which is further down to 2.8 percent on 30th September, 2001.

I would like to assure the House that India has no reason to feel worried on this count. The East-Asian crisis, the Latin American crisis, the Russian crisis and other crisis have overtaken the rest of the world. They have not been able to affect India, and that our foreign exchange reserves have been continuously rising. They are at a record high. It is a tribute to the management of the external sector by the Government of India, by the nation as a whole.

SHRI MADHUSUDAN MISTRY : In fact, I am concerned with the mounting debt on the Government. In fact, the situation is so alarming that only 39 percent of the Budget is in the ambit of this Parliament to pass. Out of the total disbursement, according to the C&AG's Report of 2002-01, only 61 percent, which is charged to the Consolidated Fund of India, goes in for payment of the interest and the principal. In fact, there is an increase in the tendency among the Government to meet the deficit by borrowing money every year. This is also despite the fact that the NDA Government has to pass and fix the ceiling by passing a Resolution in this Parliament under article 292 of the Constitution. Year after year, the C&AG passes this remark. I would like to know from the Minister whether he wanted to pass any such Resolution of fixing the limits of the borrowings as suggested in the article 292 of the Constitution. This is first part of my question.

The next part of my question is this. What measure does he intend to take to reduce the charged expenditure, which amounts to nearly 69 percent of the total Budget that we pass in this House.

SHRI YASHWANT SINHA : Sir, this Question is about the external debt of India. ...*(Interruptions)*

SHRI MADHUSUDAN MISTRY : The total debt—external and internal—is 69 percent.

SHRI YASHWANT SINHA : The hon. Member has referred to the total debt of the country. He is right in expression concern, as far as the total indebtedness—both internal as well as external—is concerned.

As I have mentioned earlier, it is not the external debt which is a matter of concern. It is the internal debt which is a matter of concern. I have repeatedly expressed that concern in this House. In fact, the fiscal deficit, year after year, of the Government of India and the State Government represents the total borrowing of these Governments—the Government of India and the State Governments. It is this fiscal deficit, which has proved to be the villain of the piece because despite all our efforts over a period of time we have not been able to keep fiscal deficit under control. I have gone on record to say, even when I presented this year's Budget, that I was very unhappy of fixing the fiscal deficit target at 5.3 percent.

As far as the Constitutional provision on fixing a limit to the debt is concerned, the hon. Member is aware that we had brought before this House a legislation, which is the Fiscal Responsibility and Budget Management Bill. This Bill has been examined by the Standing Committee and it is now under the consideration of the Government. We had brought that piece of legislation in order to impose upon ourselves the discipline of fiscal control. Shri S. Jaipal Reddy is sitting here. He once called me a 'fiscal terrorist'. He calls me many other names now but he called me a 'fiscal terrorist'. The fact remains that we have to get rid of the fiscal deficit problem of this country. We have therefore fixed targets in the Fiscal Responsibility and Budget Management Bill in order to reduce, like other countries in the world have been able to reduce, the overall fiscal deficit and especially the revenue deficit of the Government so that we are able to have a better economic environment in this country for growth and development. That Bill would be brought by the Government once again, now that we have the recommendations of the Standing Committee.

SHRI MADHUSUDAN MISTRY : In that case, the C&AG should not make a remark, year after year, on the amount of charged expenditure incurred by the Government. ...*(Interruptions)*

SHRI YASHWANT SINHA : We had appointed a Committee of Experts that had suggested the draft of that Bill. The representative of the Comptroller and Auditor-General was also on that Committee. We have taken their concerns on board.

SHRI MADHUSUDAN MISTRY : How do you propose to reduce the charged expenditure?

SHRI YASHWANT SINHA : The major part of the charged expenditure is the interest liability of the Government. It cannot be reduced if we allow the interest liability to go up, year after year. The important thing is to be able to reduce our debt obligations and debt liabilities so that the interest liability is also reduced. When interest liability is reduced, we have less charged expenditure and more voted expenditure. I would like to take the House again into confidence, through you, that the interest rate reduction, as a result of the lower rate of inflation, has succeeded in reducing the overall liability of the Government. It is not progressing in a geometrical fashion, as it was in earlier years.

[Translation]

SHRI SHEESH RAM SINGH RAVI : Mr. Speaker, Sir, I want information regarding the reply laid on the table by the hon'ble Minister to the original question. From perusal of the Principal and interest ratio in case of IDA, it appears that we are taking loans at rates of interest prevailing abroad as interest component is getting equal to the Principal amount. In IDA Principal amount is 367.89, and interest is 137.66. It means, that for a long time interest has not been paid. Similarly, in ADB principal amount is shown as 117.16 and interest has gone up to 159.24. These details are as on 31 March, 2002. Similarly, in the year 1999-2000, the Principal amount of IBRD was 746.18 million dollars, and its interest is 382 million dollars. The Principal amount of Japan is 319.14 million dollars, and its interest is 227.15 million dollars. It is a very pitiable situation. When Principal amount and interest will become equal, the foreigners will tell us that your principal amount and interest has become equal. Whether the hon'ble Minister of Finance will state, how much money is being repaid, and why the interest is increasing, whether any time limit is being fixed to return principal amount and interest. This loan was for 20 or 40 years and how much has been repaid out of this and how much is outstanding, what are the reasons for delay in this regard?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, the hon'ble Member is absolutely right, he has given his figures as well as read out the figures given by us in the House. As we are taking this loan for many years and decades, its interest burden increases year by year. As we continue to take more loans, obviously the interest burden will further

increase. Such a situation has arisen as he read out our reply that the interest being paid by us has become more than the principal amount and this is one problem. At international level, it is called reverse flow of capital. Among the developing countries many countries have reached such a stage, that the payment of interest which they are required to make as debt service obligation is more than the new loans they are getting. These figures are of the period when sanctions were imposed on our country. Many countries have withdrawn their cooperation and they did not give us any new loan. Therefore, the Principal amount appears less, particularly in case of Japan. It has recently lifted the sanctions. Even then I would like to say that as far as India is concerned, we should not be worried at all. Because as to date we are in a strong position, the World has also recognised it and if they are considering us as less indebted, it may be due to this reason, because we have fully controlled the entire situation.

MR. SPEAKER : Shri P.C. Thomas.

SHRI SHEESH RAM SINGH RAVI : Mr. Speaker, Sir, I would like to know under which Governments this loan was taken and whether it was properly used or not. Since it took a long time to repay it, it appears that it might not have been properly utilised.

MR. SPEAKER : Can't you ask the question later? I will not allow it.

SHRI YASHWANT SINHA : It is very clear that the country has been borrowing money from overseas and it has been borrowed by different Governments. This document, 'External Assistance-2000' on foreign loans gives an historical account of it. Complete details regarding the total loan taken by our Government so far, the way it has been utilised and the head under which it was taken are available in the Parliament Library.

[English]

SHRI P.C. THOMAS : Sir, it is really heartening to note that we are in the less indebted category even though we are coming at the ninth place.

Sir, there are so many States that are putting up new projects and applying for ADB loans and loans from external sources. The Government of India also has got

some broad conditions to the States to accept so that they can move for these external loans. Can you just explain how the States can go forward with regard to the specific projects for getting loans from abroad; also with regard to the conditionalities which we can accept; and with regard to the broad conditions which the Government of India will fix for the States to accept?

SHRI YASHWANT SINHA : Sir, as I have pointed out earlier, no State Government is allowed to approach any international or bilateral agency to negotiate or secure for itself loans from them. This is always done by the Government of India. The loan document is signed by the Government of India. We take the loan and then pass on to that State. Therefore, the overall approach and policy with regard to assistance, both from multilateral sources as well as some bilateral sources, is determined by the Government of India. For instance, our current policy is that we will take this assistance largely to be able to meet the social sector needs of this country, like health and education. We will take this assistance in order to improve our infrastructure like power, road, energy, etc. We fix the broad approach and then within this approach, we take proposals from the State Governments in these areas as well as from the Central Ministries. Then the Government of India examines those proposals. If we find those proposals acceptable, then we pose them to the multilateral or the bilateral agency. Then negotiations are held which are conducted by the Government of India officials with the foreign Governments or the multilateral institutions, in which the State Government representatives will also participate and Ministry's representatives will also participate. Ultimately, when the agreement is reached, then the document is signed by the Government of India and the money flows to the Government of India.

As far as the Government of India is concerned, we have, what we call, an additional Central assistance. This additional Central assistance, which represents the foreign component of Central assistance, is passed on to the States in the same ratio in which Central assistance is passed on to them, that is, 70 per cent loan and 30 per cent grant in normal cases and 90 per cent grant and ten per cent loan in the case of Special Category States. The external loans are also passed in the same ratio. The only difference is that there are some loans which come to us as total grant. There have been instances where the Government of India at various points of time, in 1994, in

1996 and in 1999, has taken a decision that those loans which are coming as total grant could be passed on as grant to the States. So, this is the overall policy metrics in which the foreign assistance and the overseas development assistance is conducted.

SHRI KHARABELA SWAIN : Sir, part (d) of the Question also deals with the principal and the interest paid to the domestic creditors. My point is that the interest payment on the provident fund puts a heavy burden on the Government. So, does the Government have any proposal for privatising the provident fund and allowing it to be used as a mutual fund?

SHRI YASHWANT SINHA : Sir, the first point is that this Question is about external loans and the Member's question does not arise out of this Question. I could have said that I need a separate notice. But the issue which the hon. Member has raised is a highly controversial issue. The Government of India, therefore, has not issued any instructions that provident funds should convert themselves into mutual funds. The Trustees of the provident fund at this point of time, are managing the provident funds. To the extent to which we borrow from them, we are setting norms for interest payment. But the basic question that the return on these funds should be maximised, is certainly a challenge which the Trustees of these funds face.

SHRI VARKALA RADHAKRISHNAN : Sir, the Fiscal Management Bill was discussed and passed long before and the recommendations are also before the Government. There was a suggestion that the Central Government should also discuss with the State Government in these matters. I would like to know whether any such discussion with the State Government in regard to the Fiscal Management Bill was conducted. That is one point.

I would also like to bring to the notice of the hon. Finance Minister that now, in Kerala, negotiations are going on with the Asian Development Bank (ADB) for sanctioning a loan.

Then, what is the guideline issued by the Central Government in these matters? I want to know whether there is any condition attached to this taking of the loan that the number of employees should be reduced and that the Sales Tax and other taxes should be increased etc. I want to know whether these conditions are attached to this agreement because it is said there that thousands and

thousands of employees are now found to be excess and they are to be retrenched and that process is going on.

Secondly, there is a proposal that the taxes also will be increased and even taxes in the hospital charges, service charges etc. — all these taxes are being increased because the ADB authorities are insisting that all these things should be done. Is it true? What is the exact position? I would like to know these details because it is already in the papers that the ADB authorities have insisted on such things. ...*(Interruptions)*

SHRI KODIKUNNIL SURESH : That was discussed by the State Government. They are implementing it. ...*(Interruptions)*

SHRI VARKALA RADHAKRISHNAN : I want to know whether the Central Government has given any direction and whether there is any condition attached to this agreement entered into between the State Government and the ADB or not. ...*(Interruptions)*

MR. SPEAKER : Please do not interrupt now. Let the hon. Minister reply.

SHRI N.N. KRISHNADAS : Sir, how many Ministers are here? Somebody is answering from that side also. ...*(Interruptions)*

MR. SPEAKER : Ministers are only on the right side of the Chair.

(Interruptions)

SHRI VARKALA RADHAKRISHNAN : I want to know about the Fiscal Management Bill as well as the other things.

SHRI YASHWANT SINHA : Sir, as far as the Fiscal Management Bill is concerned, as I said the recommendations of the Standing Committee. ...*(Interruptions)*

SHRI VARKALA RADHAKRISHNAN : They have already submitted the recommendations. I know it. ...*(Interruptions)*

SHRI YASHWANT SINHA : Sir, they have been submitted. They have made some very important recommendations. These recommendations are under examination in the Government and as I said when we are ready with our final view in that matter we will bring it before the House.

SHRI RUPCHAND PAL : The Government usually accepts the recommendations of the Standing Committee. ...*(Interruptions)*

MR. SPEAKER : Mr. Minister, will you please complete the reply instead of looking at the other Members?

(Interruptions)

SHRI VARKALA RADHAKRISHNAN : What about the State Government thing? ...*(Interruptions)*

SHRI YASHWANT SINHA : Sir, if hon. Member Shri Varkala Radhakrishnan has a little patience, I will answer all the six parts of the question that he has asked. ...*(Interruptions)* this is one part concerning the Fiscal Responsibility Bill which I would like to say. As far as the fiscal management of the States is concerned, the Eleventh Finance Commission has given some very important recommendations under which they have created an incentive fund. We are in discussion with the States. We are entering into some kind of a Memorandum of Understanding with them to improve the fiscal management of the State.

As far as the ADB loan to Kerala is concerned and the question of what are the conditionalities, I will need a separate notice because this is a very individual and specific question which has been asked. The main question does not cover it. But I would like to say that we have great admiration for the Government of Kerala in respect of the manner in which they have tackled the fiscal problem. ...*(Interruptions)*

SHRI KODIKUNNIL SURESH : We are following the West Bengal situation. ...*(Interruptions)*

MR. SPEAKER : Please keep silence. Let there be no cross talks in the House.

(Interruptions)

MR. SPEAKER : Mr. Minister, you can just conclude the question.

(Interruptions)

MR. SPEAKER : Please keep silence. This is not the way the House is conducted.

(Interruptions)

MR. SPEAKER : I can understand it.

SHRI VARKALA RADHAKRISHNAN : I asked about the conditions.

SHRI YASHWANT SINHA : Sir, I had the occasion during the discussion on the Budget in this House...*(Interruptions)*

SHRI VARKALA RADHAKRISHNAN : Sir, he has not addressed to my question about whether there is a connection with the agreement or not. ...*(Interruptions)*

MR. SPEAKER : No State politics here.

SHRI YASHWANT SINHA : Sir, I have not completed my reply. How does the hon. Member know whether I have answered his question or not?

SHRI VARKALA RADHAKRISHNAN : I have not asked about certification. ...*(Interruptions)*

MR. SPEAKER : I will go to the next question.

SHRI N.N. KRISHNADAS : Sir, instead of the hon. Minister, somebody is answering. I do not know who is answering. ...*(Interruptions)*

MR. SPEAKER : I will have to go to the next question if you do not allow the hon. Minister to reply.

SHRI YASHWANT SINHA : Sir, as I said, we, the Government of India or the Governments of the various States, do not have to wait for ADB or World Bank or somebody else to come and tell us that we have to put our fiscal house in order. This is something where we all admit that a problem exists. Therefore, I am saying it with a degree of satisfaction that State Government after State Government, cutting across political party lines, is now realising that the kind of fiscal management which has taken place in the past is something which just cannot be allowed to go on.

These are the figures I have quoted in this House earlier also. If you look at the deficit of what is called Government Administration, it went up from Rs. 32,000 crore in 1996-97 to Rs. 88,000 crore in 1998-99, and I have gone on record to say that this represents the impact of the Fifth Pay Commission. Therefore, now, let me say it very candidly in this House, Sir, that the State Governments as well as the Government of India will have to look at its

establishment expenditure, will have to look at the size of Government, will have to right-size Government and will have to raise taxes. Therefore, if the Government of Kerala is doing this, there is absolutely nothing wrong in that approach. ...*(Interruptions)*

MR. SPEAKER : Shri Jyotiraditya M. Scindia.

(Interruptions)

MR. SPEAKER : Hon. Members, what are you doing?

(Interruptions)

MR. SPEAKER : Silence Please. You may put the question now.

(Interruptions)

MR. SPEAKER : A Member of your Party is going to ask a question. Give him a chance. He is a new Member. At least he should get a good impression about the House.

(Interruptions)

SHRI JYOTIRADITYA M. SCINDIA : Thank you, Mr. Speaker, Sir. ...*(Interruptions)*

SHRI SUDIP BANDYOPADHYAY : I hope that senior leaders will not allow them to fight with Members of CPI(M) Party in this House. ...*(Interruptions)*

SHRI PRIYA RANJAN DASMUNSI : Sir, I am strongly opposed to it. We know how to fight in the soil, not in the Parliament. ...*(Interruptions)*

SHRI SUDIP BANDYOPADHYAY : Sir, I was watching how the leaders were creating pressure towards him. ...*(Interruptions)*

MR. SPEAKER : This cross-talk is not required.

SHRI JYOTIRADITYA M. SCINDIA : My questions to the hon. Finance Minister are the following. Being ninth out of fifteen top indebted countries in the world today is something that is indeed alarming and not something to be proud of. Though we are characterised as a less indebted country, I think, our target should be to be the ninth out of fifteen least indebted countries and not the top

indebted countries. In the light of the international lower interest rate environment and FOREX reserves which today, are at \$ 54 billion, is the hon. Finance Minister thinking of lowering our external indebtedness and if so, how?

As the hon. Finance Minister rightly pointed out, our debt as a percentage of GDP is almost 85 percent, just a nudge below Pakistan's 105 percent. External debt accounts for 15 percent of that and 70 percent is accounted by internal debt. How do we plan in our great country to lower this level of internal indebtedness?

SHRI YASHWANT SINHA : Sir, I will compliment the young Member on a very good question that he has asked. It was not with a sense of pride that I was saying that we are the ninth most indebted country in the world. The point I was making was that if you look at the history of the last ten or twelve years and look at the fact that we were the third most indebted country in 1991, we have travelled indeed a long distance in terms of management of the overall debt stock, external debt stock of this country and what is a matter of satisfaction, Sir, is this journey that we have made from the third most indebted country to the ninth most indebted country. I share the hope of the hon. Member that there will be a day when India can claim that it is not only less indebted but it is least indebted country in the world. We will certainly move in that direction.

As far as management is concerned and repayment of debt is concerned, the Government of India has appointed a high-level Committee. This high-level Committee is looking at all the more expensive debts that we have from abroad and they are recommending to the Government pre-payment of these debts.

I would like to take the house into confidence, through you, by stating that in the year 2001-2002, US \$ 500 million worth of debt was recommended to be prepaid by the Government of India. We have prepaid our IMF debt. We are prepaying many of our other multilateral and ECB borrowings. This is a continuous process, and we are looking at this aspect of our debt profile. It will be the endeavour of the Government to continue to ensure that the stock of debt goes down.

When we were talking of the ninth most indebted country, Sir, I had mentioned that in absolute numbers, that

is, US \$ 100 billion. But if you look at the other indices, like debt to GNP ratio, debt to foreign exchange ratio and all that, then we are either the first in these 15 or we are second after China. That is where the satisfaction comes that successive Governments, beginning from the decade of 1990s, have managed the external debt situation in such a way that we have been able to considerably improve our position.

DR. NITISH SENGUPTA : What about the composition of our debt?

SHRI YASHWANT SINHA : I have already talked about the composition in terms of concessional lending. We are the best among these 15 countries. We have the largest proportion of concessional lending. If you look at short-term debts, we have the least amount of short-term debt that any of these 15 countries have.

As far as the overall debt profile, which is both internal and external, is concerned, as I said, the Government of India is more concerned and more worried about the stock of internal debt, which is going up as a result of fiscal deficit year after year. It is that which is worrisome part. It is in order to take care of that concern that we brought the Fiscal Responsibility and Management Bill. I hope, once the Parliament passes that, then not only the constitutional provisions, which have existed in our Constitution for over 50 years, will be implemented, but that this country, as a nation, will move forward to a better fiscal management.

Development of Conventional Textile Industry

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*742. SHRI A. VENKATESH NAIK :
SHRI RAMSHETH THAKUR :

Will the Minister of TEXTILES be pleased to state :

(a) whether there are a number of schemes being implemented for the development of conventional textile industry;

(b) if so, the details thereof along with the objectives of such schemes;

(c) the works executed and funds allocated to these schemes during last one year and proposed for the Tenth Five Year Plan period;

(d) whether the Government have received some complaints regarding corruption prevailing in the implementation of conventional schemes;

(e) if so, the details there of; and

(f) the action taken by the Government thereon?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (f) A statement is laid on the Table of the House.

Statement

(a) to (c) Yes, Sir, Details of such schemes, along with scheme-wise outlays for 2001-02 are given in Annexure. The scheme-wise outlays for the 10th Plan has not been finalised.

(d) to (f) Complaints received from 3 persons alleging misuse of funds under the Market Development Assistance (MDA) scheme by the Handloom Cooperative Societies of Solapur, have been forwarded to the Government of Maharashtra for investigation and report. The State Government has also been requested to stop payment of Market Development Assistance to the societies concerned, pending enquiry.

Annexure

Centrally Sponsored Schemes for Handloom Sector

(I) Deen Dayal Hathkargha Protsahan Yojana (DDHPY)

This is a comprehensive centrally sponsored scheme introduced with effect from the year 2000-01, for the Handloom Sector, to take care of a wide gamut of activities such as product development, infrastructure support, institutional support, training to weavers, supply of equipments and marketing support, in an integrated and co-coordinated manner for an over-all development of the sector and benefit to handloom weavers. The scheme provides for training for upgradation of skills and knowledge of handloom weavers; basic inputs like looms and accessories for product development and diversification; margin money to strengthen the handloom organizations; assistance for setting up of water and effluent

treatment plants, process houses, etc; assistance for improvement of the quality of designs of the handloom products; assistance for publicity of handloom products; transport subsidy to Jammu & Kashmir, Sikkim and North-Eastern States to improve the mobility of finished handloom products; marketing incentive; and assistance towards restructuring of handloom organizations. For marketing incentive component, the sharing between the Central Government and the States is in the ratio 50:50. For all other components, the sharing ratio of grant portion is 50:50 except in respect of North-Eastern States, Sikkim and Jammu & Kashmir where the ratio is 90:10. In respect of Societies having 100 per cent beneficiary members belonging to SC/ST/Women/Minorities, the ratio is 75:25.

During the year 2001-02, funds released under this scheme were of the order of Rs. 57.25 crore as against Rs. 77 crore allocated for it.

(ii) Supply of yarn at Mill Gate Price and Setting up of Handloom Marketing Complexes

This scheme has the objective of making available all types of yarn at Mill Gate Price to the eligible handloom weavers so as to facilitate regular supply of basic raw materials to the handloom sector. The National Handloom Development Corporation (NHDC) is the operating agency of this Scheme. Under this scheme, Handloom Marketing Complexes are also set up with a view to providing infrastructural support to Handloom Agencies under one roof by making available handloom products of different States at one place with a view to facilitating marketing of handloom products.

During the year 2001-02, funds released for the above purposes were of the order of Rs. 7.00 crore as against Rs. 7.00 crore allocated for it.

(iii) Development of Exportable Products and their Marketing Scheme (DEPM)

This Scheme aims at imparting assistance to the handloom agencies for building up, development and marketing of exportable handloom products. Assistance under the Scheme is extended to handloom

agencies like Handloom Apex/Primary Societies, Handloom Corporations, Association of Corporations and Apex Societies of Handlooms, All India Handloom Fabrics Manufacturing Cooperative Societies, Central Cottage Industries Corporation, Handicrafts and Handlooms Export Corporation, Handloom Export Promotion Council and Handloom Exporters sponsored by the Handloom Export Promotion Council etc.

The objectives of the Scheme are as under :

- Identification of a suitable handloom concentration for development of exportable products.
- Up-gradation of skill and design capabilities of weavers to weave exportable products.
- Introduction of design intervention to suit specific markets abroad by appointment of qualified designers.
- Modification of Looms and Product development and diversification to suit export markets.
- Publicity through media abroad to generate exports.
- Marketing through participation in International Exhibitions, Buyer Seller Meets and other events sponsored or approved by the Officer of the D.C. Handlooms.
- Improve quality through designs, better weaves and packaging.

During the year 2001-02, funds released under this scheme were of the order of Rs. 3.25 crore as against Rs. 3.50 crore allocated for it.

(iv) Research and Development (R & D)

The scheme was introduced with the objective to sanction projects to different organizations for undertaking research and development activity in the field of design development, conducting comprehensive market survey, organizing management development programme, conducting training-cum-workshop, undertaking research in loom modifications and loom accessories, revival of traditional designs, national design collection etc.

During the year 2001-02, funds released under this scheme were of the order of Rs. 40.00 lakh as against Rs. 40.00 lakh allocated for it.

(v) National Centre for Textile Design

National Centre for Textile Design (formerly known as National Design Centre) has been set up to promote traditional and contemporary designs so as to be responsive to the rapidly changing market demand, thereby providing adequate growth opportunity to the Textile Industry and in particular to the Handloom Sector.

The objectives of the Scheme are as under :

- To link all persons belonging to the Textile Industry with developments in each other's fields.
- To give weavers, workers and designers greater exposure and access to national and international markets thereby giving them a better livelihood and avenues for more sustainable development.
- To provide trends, forecast and data to better equip the industry to function in a market oriented economy.

During the year 2001-02, funds released under this scheme were of the order of Rs. 75.00 lakh as against Rs. 75.00 lakh allocated for it.

(vi) Modified Decentralised Training Programme for Handloom Weavers (DTP)

The objectives of the scheme are as under :

- To bring about skill up-gradation in the skilled and semi skilled category of handloom weavers, which will enhance their earning capacity, simultaneously ensuring development of marketable products.
- Rationalise the operational mechanism and implementing methods.
- To be in tune with the market requirements.
- To make it transparent.

- To make it realistic, need-based and concise.
- To be able to monitor as well as to provide more flexibility and autonomy to the implementer.
- To provide different training to different category of weavers, trainers and Master Trainers keeping in view of the expertise gained already and trends available (both domestic and international).
- To avail of the expertise and resources of related sectors like freelance designers scheme, fashion forecasts, trends and other related schemes.

During the year 2001-02, funds released under this scheme were of the order of Rs. 210 lakh as against Rs. 210 lakh allocated for it. For the Xth Plan period, the allocation made would be for a comprehensive Design Development and Training Programme under which DTP would be covered.

SHRI A. VENKATESH NAIK : Mr. Speaker, Sir, I have asked about various schemes being implemented for the development of conventional textile industry. The hon. Minister, in his reply, has provided information about handloom sector only, but there is nothing about powerloom sector, which is also a specific sector of conventional textile industry.

Secondly, there is nothing about the achievements of these schemes. As per my knowledge, the achievements of these schemes are very low in 2001-2002, in comparison to previous years. For example, firstly, the allocation under Mill Gate Price Scheme is Rs. 7.0 crore for 2001-2002, while it was Rs. 11.00 crore in 2000-2001.

Thirdly, under DEPM, only 11 projects have been executed in 2001-2002, while the figure for 1999-2000 was 26, and for 2000-2001, it was 15. Under the Training Programme for Weavers Service Centres, only 1,400 weavers have been trained against the target of training 2,500 weavers.

Sir, through you, I want to know from the Minister as to what specific schemes have been implemented or proposed to be implemented for the development of

powerloom sector. What are the actual achievements of these schemes? What are the reasons for low achievements? What specific steps is the Government taking to achieve the targets set under these schemes?

SHRI KASHIRAM RANA : Mr. Speaker, Sir, the question asked by the hon. Member is regarding the development of conventional textile industry.

Sir, conventional textile means handloom and *khadi*. It does not come under the various schemes meant for the powerloom sector. So, this part of the question, as has been asked by the hon. Member, pertains to the handloom sector. However, the hon. Member has sought to know about the various schemes under the powerloom sector also. There are many schemes under the powerloom sector, namely, the Workers House Schemes, the Weavers Welfare Scheme and also the Mill Gate Price Scheme. Recently, we have proposed the Medi-claim Scheme in this sector. Not only that, we also have increased the amount for the Workers Housing Scheme. Various schemes are under implementation.

Sir, the hon. Member has also asked about the achievements of these schemes. I would like to inform the hon. Member and also the House that the funds that have been allocated for the various schemes under the powerloom sector are being utilised properly and the schemes are going on well. However, whenever we receive specific complaints or suggestions, we try to resolve those cases and also look into the suggestions that are made.

SHRI A. VENKATESH NAIK : Sir, the Government are providing Central assistance to various State Governments for setting up of enforcement machinery for ensuring implementation of the various provisions of the Handloom Reservation Act of 1985. Similarly, the Government also are providing funds for new insurance schemes for the handloom weavers. But not a single penny has been given to the State of Karnataka under these schemes in the last five years. I would like to know from the hon. Minister as to why the State of Karnataka has not been given the Central Assistance under these schemes.

SHRI KASHIRAM RANA : Sir, under these schemes, either in the handloom sector or in the powerloom sector, whenever there has been a demand for funds from the

State Governments, the Ministry of Textiles has always tried to satisfy their demands.

Sir, insofar as the provisions of the Handloom Reservation Act of 1985 is concerned I would like to say that we are not going to dilute the provisions of the Act. In spite of the recommendations of the Satyam Committee, the Ministry of Textiles as well as the Government of India have decided to continue with the provisions of this Act as it is.

SHRI RUPCHAND PAL : Sir, textile is a comprehensive expression and jute is one of the conventional textile industries. In order to provide support and assistance to the jute industry, this Parliament passed an Act in the year 1987 to ensure mandatory use of jute packaging materials in respect of foodgrains, sugar, fertiliser, particularly Urea, and cement. But over the years, under pressure from the synthetic lobby, the provisions of the said Act have been continuously diluted, and cement and urea, for all practical purposes, have been taken out of the purview of this Act.

Very recently, there is a move not only to further dilute the mandatory use of jute packaging material in respect of foodgrains and sugar, but also to repeal the Act itself. More than one crore people, particularly in West Bengal, Bihar, Andhra Pradesh and the whole of Eastern India, earn their livelihood from this sector. May I know from the hon. Minister what steps the Government propose to take to provide adequate support and assistance to strengthen the jute sector by ensuring hundred percent use of jute packaging material in respect of foodgrains and sugar? The jute Industry is fully equipped and ready to fulfil any amount of stock required by the Central Government.

SHRI KASHIRAM RANA : Sir, first of all I would like to clear the position so far as this Jute Packaging Act is concerned. It is totally incorrect and untrue that the decision for diluting this Act has been taken under pressure of the cement lobby. That is a totally incorrect statement. ...*(Interruptions)*

SHRI TARIT BARAN TOPDAR : This Minister is misleading the House. ...*(Interruptions)*

SHRI KASHIRAM RANA : The hon. Member has raised the point of repeal of this Act. It is this Government's policy not to repeal the Jute Packaging Act. But, it is a fact that

jute mill owners are not able to meet the growing requirement of jute bags for packaging foodgrains and sugar. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : This is not based on facts. ...*(Interruptions)*

MR. SPEAKER : Let the Minister complete his reply.

SHRI RUPCHAND PAL : There is no shortage of jute bags. This is not at all true. ...*(Interruptions)*

[Translation]

KUNWAR AKHILESH SINGH : Hon. Minister is not speaking the truth and is misleading the House. ...*(Interruptions)*

MR. CHAIRMAN : You can sit with the hon. Minister and discuss with him. But this is not the way.

(Interruptions)

[English]

SHRI RUPCHAND PAL : Sir, I can provide the document which shows that the Minister is misleading the House. ...*(Interruptions)* I can place that document on the Table of the House to prove that the Minister is misleading the house. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : They are diluting the Act. ...*(Interruptions)*

SHRI TARIT BARAN TOPDAR : There is a programme to dismantle the Jute Packaging Act. ...*(Interruptions)*

SHRI RUPCHAND PAL : The Group of Ministers is already in possession of that document. I am ready to place it on the Table of the House. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : The Minister is misleading the House. ...*(Interruptions)*

SHRI KASHIRAM RANA : Sir, the Jute Packaging Act was enacted to protect the interests of jute growers and not the interests of jute mill owners. For that purpose. ...*(Interruptions)*

[Translation]

MR. SPEAKER : Basu Debji, please listen to hon. Minister as to what he wants to say. You know that I am also aware of it. Hon. Minister is telling the right thing.

[English]

SHRI KASHIRAM RANA : The Government is now considering the proposal to launch a new Technology Mission on jute. ...*(Interruptions)*

SHRI TARIT BARAN TOPDAR : It is under a High Court Order that it has been stayed. They were out to totally dismantle the Jute Packaging Order of the Government within three years.

[Translation]

MR. SPEAKER : You should reply only to the question of Shri Rupchand Pal.

SHRI KASHIRAM RANA : I have replied to his question only. He asked whether the Government proposed to repeal. I replied in the negative. Whenever there is a requirement or shortage, we would dilute it.

[English]

SHRI K. YERRANNAIDU : Mr. Speaker, Sir, this is a very important issue relating to many State. I, therefore, would like to say that it would be better if a meeting is convened of the Members of Parliament coming from those States, where we could explain the problems. In that meeting we will give our argument as to why the industry should be protected.

MR. SPEAKER : You can request the Minister any time and he will give you a meeting.

SHRI K. YERRANNAIDU : You can give direction, Sir.

MR. SPEAKER : I can suggest it, provided the Members cooperate with me. This is not the way.

If you just want to disturb the House, this cannot be done. Otherwise, I suggest the Minister to take a meeting and there should be no problem in that.

(Interruptions)

SHRI KASHIRAM RANA : There is a precedent. Whenever the Government is going to dilute this Act, we call industrialists for a meeting; we call the hon. Members of Parliament for a meeting; we call the persons concerned, and we consult all of them. We always call a meeting. ...*(Interruptions)*

MR. SPEAKER : I have called Shri Mohan Rawale.

SHRI K. YERRANNAIDU : Sir, it is a burning issue for the people of West Bengal, Andhra Pradesh, etc. ...*(Interruptions)*

MR. SPEAKER : I have called Shri Mohan Rawale.

[Translation]

SHRI MOHAN RAWALE : Mr. Speaker, Sir, there are 8 NTC mills in your constituency and 17 mills in my constituency. The workers in these mills had not been paid the salary for the last two months. Now salary has been paid after intervention of the hon. Finance Minister. I would like to ask the hon. Minister as to by what time the Government propose to make the workers of these mills, who have been working there for the last 15-20 years permanent and rehabilitate them. I am grateful to you since it is after your advice that the Finance Minister has agreed to the VRS. It was referred to the Group of Ministers, and after getting its nod, more workers are getting the benefit of the VRS.

MR. SPEAKER : The Finance Minister led the Group.

SHRI MOHAN RAWALE : You, too, contributed in this and I am thankful to him also for his cooperation. As per the agreement with the Union, 3 percent amount is deducted from VRS benefits by NTC. I would like to ask hon. Minister as to why NTC can't directly give VRS to the workers?

SHRI KASHIRAM RANA : Sir, eight subsidiaries have been referred to BIFR. Out of these, orders have been placed for two subsidiaries of Maharashtra, i.e. North and South. But the BIFR has sought a clarification from Govt. of Maharashtra. As per the state laws, the Govt. of Maharashtra have permitted them to use one-third land, whereas BIFR is not allowing them to use it since it belongs to the Government. Secondly, whatever funds are released, that would be spent on modernisation. When the

Ministry of Textiles gives permission, then the option of land use should be availed. The Government of Maharashtra have placed a statement before BIFR for this purpose. The Government of Maharashtra have not given clarification in this regard. That is why, a reply from BIFR is awaited.

As far as the payment of salary is concerned, salary upto the month of April has been disbursed. Whenever this issue comes up, the Government comes out with a reply that there are no PSUs where a salary backlog for one or two months does not exist. BIFR has stated that mill can be closed in consultation with the Union. So far as VRS is concerned, modified VRS is offered on Gujarat pattern, where Rs. 60 thousand to one lakh are provided. I think the workers are happy with it. In addition, there are many other mills, such as one viable mill in Rajasthan, where the workers are ready to close the mill if they are offered modified VRS.

[English]

SHRI PRIYA RANJAN DASMUNSI : I will put a short question because there is no time.

Will the hon. Minister assure the House on this? What is the policy of the NDA Government?...*(Interruptions)* The World Health Organisation has made it clear that synthetic packaging and plastic packaging are hazardous for health. Will the Minister assure the House—to express the Government's solidarity with the workers and farmers—that the Government, in principle, will withdraw the Jute Packaging Order that was diluted? Will the Minister assure the house on this?...*(Interruptions)*

[Translation]

SHRI KASHIRAM RANA : As far as three percent cut as referred to by hon. Member is concerned, the Ministry have given instructions to stop this three percent cut from VRS.

[English]

The hon. Member, Shri Dasmunsi, has asked about the synthetic packaging and its hazardous nature. It is a matter of difference of opinion. On this subject, I cannot say anything. With regard to the hazardous nature of synthetics, the Government is not bound to say anything.

Short Notice Question

Sale of MICA Plant by MMTC

2. SHRI BASU DEB ACHARIA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether Minerals and Metals Trading Corporation had decided to sell its MICA plant at Jhumritalaya and retrench its workers;

(b) if so, the reasons therefor;

(c) whether MMTC has seriously executed the BIFR revival package for the MICA plant; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (d) A statement is laid on the Table of the House.

Statement

(a) to (d) It is not true that MMTC has taken any decision to retrench the workers of its Mica division. MMTC is exploring the possibility of sale of its Mica plant at Abhrak Nagar. An advertisement inviting offers has been issued in this behalf in the papers on the 3rd May 2002 against which response is still awaited.

The MMTC has implemented the revival package decided by the Board for Industrial and Finance Reconstruction (BIFR) with due seriousness. Action has been taken for closure of uneconomic offices, disposal of inventory, assistance from National Renewal Fund (NRF), repayment of working capital loan to State Bank of India (SBI), transfer of land to MMTC, adjustment of investments by way of shares in Mica Trading Corporation (MITCO) by MMTC, and up-gradation of technology on the lines recommended by BIFR.

BIFR had recommended continuing canalization of Mica Scrap till 1997-98. It was actually continued till March 2002. Still canalized export of mica scrap declined from Rs. 6.56 crores in 2000-01 to Rs. 2.78 crores in 2001-02. Decanalization of export of Mica Scrap with effect from 1.4.2002 under the Exim policy 2002-2007 will worsen the financial position of the Mica Division of MMTC (erstwhile MITCO).

The manpower, which according to BIFR package was to be brought down from 531 on the date of merger (1.1.96) to 220 in terms of BIFR order, stands at 379 today despite several offers of VRS.

Notwithstanding serious efforts to implement the revival package, the Mica division has been making heavy losses ever since the merger of MITCO in MMTC. The cumulative losses of the division since merger in MMTC are Rs. 12.91 crores upto 31st March 2002 (Provisional).

Taking all factors into account, the MMTC came to the conclusion that operations of the Mica division will not be commercially viable. It also kept in view the fact that Government had already decided to disinvest MMTC itself. Under the circumstances, the MMTC first advertised for leasing out its Mica plant on 15th December, 2001. In response, only one bid was received which was very poor and was, therefore, rejected. A final view will be taken with regard to the employees after receipt of responses against MMTC's latest advertisement for sale of the Mica plant.

[English]

SHRI BASU DEB ACHARIA : Sir, I have gone through the Statement made by the Minister. The Minister, in his Statement, has stated that action has been taken for upgradation of technology on the lines recommended by BIFR.

Sir, the Mica Trading Corporation was merged with MMTC in 1994 by an order of BIFR. After merger with MMTC, MITCO became one of the Divisions of the MMTC. MITCO became an integral part of MMTC. The recommendation of BIFR was to make the Mica Division viable. In order to make the Mica Division viable, BIFR also recommended for upgradation of technology and replacement of machinery of Mica industry which was lying at Abhrak Nagar in Jhumritalaiya. This order was passed in 1994. MITCO was merged with MMTC but machinery was replaced only last year after the Parliamentary Committee on Petitions took up this matter and recommended for the implementation of the order of BIFR. In order to make the Mica Division viable, MMTC has instead constructed a guest house by spending Rs. 25 lakh and the machines which have been brought are not being used even today. As a result, the Mica Division which was to be made viable, could not be made viable.

It is also not a fact that since merger the Mica Division is incurring losses. I have with me 1997 figures. MITCO, which is now the Mica Division of MMTC, has already registered 45 percent increase in gross profit. The figure has gone up from Rs. 2.26 crore in the previous year to Rs. 3.29 crore in 1997. So, in 1997 the Mica Division registered a profit of 46 percent. ...*(Interruptions)*

MR. SPEAKER : Yes, Mr. Minister.

(Interruptions)

SHRI BASU DEB ACHARIA : Sir, I have not asked any question.

SHRI RAJIV PRATAP RUDY : The Speaker has directed me to give the answer. ...*(Interruptions)*

MR. SPEAKER : I want you to ask the question and that is why I have called the Minister.

SHRI BASU DEB ACHARIA : I would like to know from the Minister as to how much money has been spent by MMTC to make Mica Division of MMTC, erstwhile MITCO, viable.

SHRI RAJIV PRATAP RUDY : Sir, so far I have been asked four questions.

MR. SPEAKER : He is 'Acharia'.

SHRI BASU DEB ACHARIA : I would like to know whether it is a fact that at the cost of Mica Division some of the officers were sent to Japan for training and on their return, these officers were not used in Mica Division but were sent to Nilanchal Ispat.

As a result, the Mica Division could not be made viable and Government now has taken a decision to sell it out. Sir, a number of other Divisions of MMTC are also incurring losses. I would like to know whether the Government will take the same decision in regard to other Divisions also.

SHRI RAJIV PRATAP RUDY : Sir, the hon. Member has raised several queries. But the basic fact is that in the year 1997, BIFR gave a revival package to MMTC.

SHRI BASU DEB ACHARIA : It was in 1994.

SHRI RAJIV PRATAP RUDY : Then, your basic facts are wrong and you must read it more correctly. It was in the year 1997, the BIFR gave the revival package. In that

package, the BIFR had said that technological upgradation will have to be done by MMTC. MMTC was asked to cover the pressing liabilities of Rs. 272 lakh, and payment under VRS of Rs. 967 lakh. Towards promoters' contribution, MMTC had to give Rs. 389.71 lakh, and assistance of Rs. 246.19 lakh had to come from NRI and tax benefits under Section 72 A was Rs. 60 lakh. All these six things were complied except one which was the VRS thing. The total number of employees in MMTC when MITCO was merged in MMTC was around 531. We could reduce it only to 396 while BIFR said that it should be brought down to 220. Now, VRS is a scheme which we cannot force upon the employees. We can request them and we can make it more beneficial. But we cannot force the employees to leave. That was the situation.

In spite of all that, what happens to MITCO? Sir, that is very important. Even the canalisation which was said by BIFR was that the Mica product should continue till the year 1997 but the MMTC continued it till 2002 which was an additionality to what BIFR had proposed. All efforts were made by MMTC to see that revival was done as proposed by BIFR. In spite of that, MITCO could not be revived.

Sir, I would like to mention that the losses incurred by MITCO in the year 1998-99 after the revival package was Rs. 0.79 crore; in 1999-2000, it was Rs. 0.43 crore; in 2000-01, it was Rs. 1.7 crore and the latest is about Rs. 3.39 crore.

Sir, initially, there was a lot of canalisation and Minerals and Metals Trading Corporation which is the main body here was making profits when it was in a protected situation. There was a situation when it was making profits. But over the years if you see the records, the Minerals and Metals trading Corporation also is declining in profits. In the year 1992-93, MMTC which had seven canalised items then made profit of Rs. 92 crore. Today, the unaudited statement would reflect that even if there is canalisation of seven items, we are just making a profit of Rs. 18 crore. So, the basic thing which arises is that the revival package which was given by BIFR for MITCO did not work. If the hon. Member wants to know the reason, I could state that Mica is a product which became highly competitive in the market. Mica is a product which has found substitute with ceramic and synthetic material. Mica does not have an international market. As regards cost of Mica in the

international market, China which is a major competing partner, is giving Mica at a very lower cost. Even the landed cost of Mica which is coming from China to India is less. So, there are several reasons. MMTC did its best to revive MITCO. But a situation has come when it cannot be revived. So is the situation.

SHRI BASU DEB ACHARIA : How can there be profit or loss when MITCO became one of the Divisions? There is no separate balance sheet for Mica division. Other Divisions are also incurring losses.

Sir, my second supplementary is that there has been substantial reduction in the work force. It was reduced from 575 to 375. Out of 375, 60 employees are now being utilised by MMTC. They are discharging the duties of MMTC. Sir, you will be surprised to know the plight of the workers of Mica Division. I have seen their plight. I have visited both Mica plants at Giridih as well as at Jhumritalaiya of Abhrak Nagar.

These workers are getting Rs. 300 per month as their basic pay. Their salary has not been revised since 1987. The plea of the MMTC is that as BIFR has ordered that their pay and allowances should not be less than what they used to get at the time of merger, it has been kept at that level. But it does not mean that for 20 or 30 years these workers will continue to get the same pay that they used to get at the time of the merger. Before the merger all the employees and workers used to get their pay and allowances at par with the employees of MMTC. After the merger, whereas a worker of the MMTC has been getting a minimum of Rs. 5500 per month, a worker of the Mica Division continues to get Rs. 300 only. This is a violation of the right to equality enshrined in article 14 of the Constitution. They are doing the same work and discharging the same duties and responsibilities as other employees of MMTC.

[Translation]

MR. CHAIRMAN : Achariaji, I have asked you to put the question in brief.

[English]

SHRI BASU DEB ACHARIA : So, I would like to know from the Minister whether the Government will revise the

pay and allowances of the employees and workers of Mica Division of MMTC as their service conditions are the same as the other employees of MMTC and bring them at par with what other employees of MMTC are getting.

Other Divisions of MMTC also are incurring losses. Mica is an internal part of MMTC. How can you deprive the workers and employees of MITCO?

[Translation]

SHRI TILAKDHARI PRASAD SINGH : Mr. Speaker, Sir, the main question contained two parts—when MMTC have decided to sell its Jhumritalaiya based damaged plant and retrench its workers, will it be revived? The reply was that workers will not be retrenched. MITCO was merged with MMTC in 1994 but its workers are not being treated properly. I want to ask the hon. Minister that when the Government do not want to resort to retrenchment, then why the employees of MITCO are harassed. They are being transferred to remote areas on the pretext of non-availability of job suitable for them. Does the Government want the employees to quit the job on their own? Initially staff strength was 1500 which had come down to about 380 now. I would like to ask the hon. Minister why the employees of same company are meted with dual treatment. As hon. Speaker has said that 56 out of 400 employees are drawing the pay scale of MMTC. Now, since the merger has taken place, does the Government propose to give the employees of MITCO the scales of MMTC under any package.

WRITTEN ANSWERS TO QUESTIONS

[English]

Export of Rice

*743. SHRI P.R. KYNDIAH :
SHRI VINAY KUMAR SORAKE :

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the attention of the Government has been drawn to the news item captioned "High-quality subsidised FCI rice being exported at reduced price" appearing in the *Economic Times* dated April 8, 2002;

(b) if so, the details and facts of the matter reported therein;

(c) the reasons for signing the contract for such low priced rice with very limited number of foreign buyers and the *modus operandi* for such questionable trade;

(d) whether the Government have initiated any action so as to ascertain the real cause of such deal;

(e) if so, the details thereof; and

(f) if not, the reasons therefore?

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR) :

(a) Yes, Sir.

(b) to (f) It has been stated, inter alia, in the news item under reference that instead of trying to get the highest price possible, state trading companies PEC and STC and several large trading houses are exporting high-quality but heavily subsidized FCI rice at prices which are \$ 13-15/tonne lower than the average rates being offered by the world market for ordinary rice from India. The points highlighted in the news item are given in enclosed statement.

It may be clarified that rice procured by FCI is of Fair Average Quality (FAQ). The maximum limit of brokens in the case of par boiled rice is 16% as against 25% in the case of raw rice.

According to information received from STC, the total quantity of rice exported by it during 2001-02 and 2002-03 upto (April, 2002) was 1,11,047 tonnes as per details given below :

Percentage of Broken	Quantity (in tonnes)
5%	27,448
8%	5,590
14%	14,390
18%	12,730
25%	50,889

Details of exports made by STC through its associate suppliers are given below :

Name of foreign buyer	Quantity (in tonnes)
Ascot Commodities	19,424
ADM Rice Inc. USA	29,030
Noble Grain Pte. Ltd. Singapore	5,590

According to information received from PEC, the total quantity of rice exported by it during 2001-02 and 2002-03 upto (15.5.2002) was 1,19,000 tonnes as per details given below :

Percentage of Broken	Quantity (in tonnes)
Nil / 5%	1,10,334
15%	2,416
25%	6,250

PEC has informed that it has entered into export contracts with M/s. Ascot Commodities for 51,000 tonnes of raw rice (5% broken). PEC has not entered into any contract with Noble Grain Pte. Ltd. and ADM Rice Inc. USA. PEC has, however, signed contracts with other buyers for the export of rice.

STC & PEC have also informed that the exports are made strictly as per the contractual terms and shipments are made after proper quality and quantity surveys by the nominated surveyors of international repute. As such the possibility of any deviation between the contracted and actual quality is very remote.

FCI has informed that Bank Guarantee (BG) is being obtained from private parties for the differential value of rates between the domestic sale price and the export price. In case the private parties fail to submit the prescribed export documents within 90 days from lifting the stocks, the BG can be encashed. The PSUs submit Indemnity Bond in lieu of BG.

It may be mentioned that the export price of rice as well as wheat is fixed by the Government taking into account the recommendations made by the High Level Committee (HLC) of FCI, which, inter alia, includes the

representatives of the Ministry of Commerce and Ministry of Finance. HLC makes its recommendations keeping in view, besides other things, international market trends including prices.

It may also be pointed out that the export price of rice has been increased by Rs. 110 per tonne in the case of raw rice and Rs. 115 per tonne in the case of par boiled rice with effect from 11.5.2002.

Statement

Points highlighted in the news item that appeared in The Economic Times in its issue dated 9.4.2002 under the caption "High-quality subsidized FCI rice being exported at reduced price"

The following points have been made in the news item under reference :

- (i) Instead of trying to get the highest price possible, state trading companies PEC and STC and several large trading houses are exporting high-quality but heavily subsidized FCI rice at prices which are \$ 13-15/tonne lower than the average rates being offered by the world market for ordinary rice from India.
- (ii) Most of such unusually low-priced contacts have been signed with just three foreign buyers—ADM Rice Inc of USA, Noble Grain Pte Ltd. of Singapore and Ascot Commodities NV of Netherlands.
- (iii) The low prices being received by most Delhi exporters suggest that both the Indian supplier and the foreign buyers are fully aware that the high quality (usually 5 percent broken) stipulated in the contract will not actually be shipped out and, therefore, is being priced accordingly.
- (iv) The modus operandi behind such low-priced deals is simple. Traders pick up highly subsidized rice at Rs. 5.65/Kg from FCI and sell it at a hefty profit for Rs. 8.50-9/Kg in local markets. As there is then a shortfall in their total quantity, traders sign contracts of 5 percent broken, which allows them to explain away upto 20 percent of their FCI stocks as broken sold in local markets.

But they actually ship out inferior quality rice with 25 percent broken, as reflected in their pricing.

- (v) As the quality stipulated in such contracts is unlikely being shipped, the role of Indian surveyors who are certifying that each shipment meets the contract specifications also remains questionable.
- (vi) STC and PEC, unfortunately, have been dragged into such deals because they often do business on behalf of private exporters. This route allows private traders to avoid paying a hefty bank guarantee while picking up FCI stocks, while the PSUs simply charge a commission and let the supplier take care of contract details.

Customer Services of SBI

*744. SHRI RAM PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Customer Services offered by SBI and its subsidiaries are not upto the mark when compared to that of many other foreign and private banks; and

(b) if so, the steps taken by SBI and its subsidiaries to upgrade its customer services to face the challenges from the foreign/private banks?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) State Bank of India and its subsidiaries have a very large clientele consisting of customers belonging to different strata of society. They also have branches all over the country including semi-urban and rural areas. Thus, these banks are not comparable with foreign and private banks whose geographical spread and clientele is limited.

(b) SBI and its subsidiaries have adopted and are effectively pursuing their Information Technology Policy with the aim of achieving efficiency in operations and improving customer service. Overall percentage of business computerized by these banks stands at 70%. Tele Banking has been introduced at 106 branches to allow customers to access their bank account through telephone at any time from anywhere. Computer based hi-tech call

centers under the SBI Helpline have been set up at 15 major centers to provide prompt responses to customers' queries and complaints. SBI is the largest single VISA Card issuer in India with 9.03 lacs cards. Besides, SBI has introduced the Electronic Data Interchange for handling customer transactions at airports and seaports and has opened the Magnetic Ink Character Recognition (MICR) and ECS Centres for Electronic Clearing services. SBI Group of Banks have also introduced extended business hours (7 to 12 hours) and 7 days banking. They have put in place the Public Grievances, Redressal and Monitoring System (PGRAMS) and prepared the Citizen's Charter.

Export of Potato

*745. SHRI R.S. PATIL :

SHRI G. PUTTA SWAMY GOWDA :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the total quantity of potato exported during the last three years, upto 31 March, 2002;

(b) whether the Union Government have any special plan to boost the export of potato in view of its increased production; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) The data on export of potatoes during the past 3 years is given below :

Year	Quantity (in M. Tons)	Value (in Rs. Lakhs)
1998-99	7873	519.43
1999-2000	28200	1395.32
2001-01	22637	1160.09
200-02 (April-2001 to January-2002)	7483	286.63

Source : Directorate General of Commercial Intelligence and Statistics, Kolkata.

Data on export for the period February 2002 till date is not yet available.

(b) and (c) In a bid to boost the export of potatoes, Government have approved the creation of Agri export zones in Uttar Pradesh, Punjab, West Bengal and Madhya Pradesh.

[Translation]

Kisan Credit Cards

*746. SHRIMATI JAS KAUR MEENA :

SHRI S. MURUGESAN :

Will the Minister of FINANCE be pleased to state :

(a) the State-wise number of farmers provided with credit cards during each of the last three years;

(b) the major advantages of Kisan Credit Cards;

(c) whether it is a fact that several farmers are using Kisan Credit Card and Kisan Gold Card Scheme for purchase of goods such as TVs and refrigerators rather than farm inputs;

(d) if so, the facts thereof;

(e) whether the Government propose to restrict uses of these cards for purchase of farm inputs only; and

(f) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The State-wise details of the number of farmers provided with Kisan Credit Cards (KCCs) during the last three years are given in enclosed statement.

(b) The major advantages of the Kisan Credit Card are as follows :

- All eligible farmers could make use of KCC;
- Full year's credit requirement of the borrower taken care of;
- Minimum paper work and simplification of documentation for drawal of funds from the bank;

- Flexibility to draw cash and buy inputs from any source of choice;
- Assured availability of credit at any time resulting in reduced interest burden on the farmer;
- Sanction of the facility for 3 years subject to annual review and satisfactory operations and provision for enhancement; and
- Flexibility of drawing cash from a branch other than the issuing branch at the discretion of the bank.

(c) and (d) The KCC Scheme aims at providing adequate and timely credit support from banking system to the farmers for their cultivation needs on a flexible and cost effective manner. The Kisan Gold Card (KGC) Scheme introduced by State Bank of India is an agricultural term loan scheme in addition to the KCC Scheme and provides for meeting the farmers' agricultural term loan requirements in a flexible manner. Purchase goods such as television and refrigerator are not permitted under these schemes. National Bank for Agriculture and Rural Development (NABARD) and State Bank of India (SBI) have reported that no instance of farmers using KCCs/KGCs for purchase of such goods have come to their notice.

(e) and (f) As per the objectives of the Scheme, KCC can be used by farmers for their cultivation needs including purchased of inputs such as seeds, fertilizers, pesticides, etc. and draw cash for their production needs. Similarly, KGC can be used for purchase of agricultural implements, land development, purchase of bullocks, carts, etc. Therefore, there is no proposal to restrict uses of these cards.

Statement

*State-wise number of Kisan Credit Cards issued by banks during the years 1999-2000, 2002-2001 and 2001-2002**

Name of State/ UT	1999- 2000	2000- 2001	2001- 2002	Total
1	2	3	4	5
A & N Islands	265	305	571	1141
Andhra Pradesh	1954627	1787987	916921	4659535

	1	2	3	4	5
Arunachal Pradesh	9	136	292	437	
Assam	1140	3082	6497	11719	
Bihar	63476	241489	252349	557314	
Chandigarh	-	-	5	5	
Chattisgarh	-	3221	89138	92359	
Dadra & Nagar Haveli	-	1	-	1	
Daman & Diu	-	-	-	-	
Goa	501	888	789	2178	
Gujarat	109663	433466	378128	921257	
Haryana	47577	397259	393425	838261	
Himachal Pradesh	7027	25259	16470	48756	
Jammu & Kashmir	1696	11871	12060	25627	
Jharkhand	-	12269	76267	88536	
Karnataka	189569	530762	677783	1398114	
Kerala	145852	302244	223055	671151	
Lakshadweep	39	24	33	96	
Madhya Pradesh	151797	21091	473786	646674	
Maharashtra	443235	1343972	843258	2630465	
Manipur	43	280	134	457	
Meghalaya	291	1494	1283	3068	
Mizoram	3	-	1099	1102	
Nagaland	10	-	16	26	
NCT of Delhi	80	1275	641	1996	
Orissa	643285	266287	324446	1234018	
Pondicherry	835	7097	2415	10347	
Punjab	112227	359258	581966	1053451	

1	2	3	4	5
Rajasthan	1037519	493155	283817	1814491
Sikkim	18	191	565	774
Tamil Nadu	118165	809960	633571	1561696
Tripura	238	1148	1556	2942
Uttar Pradesh	229105	1315834	2046994	3591933
Uttaranchal	—	2332	68882	71214
West Bengal	37563	79528	300026	417117
Total	5295855	8612319	8619038	22527212

*Data in respect of public sector banks is upto January, 2002.

[English]

Transport Subsidy to Exporters

*747. SHRI ARUN KUMAR : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) the amount of transport subsidy provided to the exporters of rice and wheat during each of the last three years;

(b) whether the Government have received any complaints regarding large scale diversion of rice procured by traders from FCI at BPL prices for export purpose in the open market;

(c) if so, the details thereof; and

(d) the corrective steps taken by the Government to check this diversion and also the misuse of transport subsidy given to the exporters?

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHANTA KUMAR) : (a) The rates at which foodgrains are offered for export are ex-FCI port godowns/port town rail-heads. The exporters of rice and wheat are reimbursed transportation charges upto port towns by the shortest railway route, when stocks are lifted by exporters themselves from inland godowns of FCI, on production of necessary documents. Detailed

information about the expenses actually reimbursed by FCI is not readily available. It may, however, be clarified that the export of wheat from the Central Pool had commenced with effect from November, 2000. FCI was permitted to offer rice from the Central Pool for the purpose of export in February, 2001.

(b) to (d) Some press reports about diversion of rice meant for export in Haryana have appeared recently. An inquiry has been instituted to ascertain facts.

A news items captioned 'Transport subsidy for rice exporters stopped' had also appeared in the Economic Times in its issue dated the 15th January, 2002. On receipt of allegations about malpractices in the export of rice from the Central Pool, the reimbursement of transport expenses was suspended. The matter was examined and thereafter the reimbursement of transport expenses was restored with additional safeguards.

Undue Benefit due to Taxation Agreements

*748. SHRI RAVINDRA KUMAR PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the major industrial houses are taking undue benefit of taxation agreement with Mauritius, British Virgin Islands and other countries;

(b) is so, the details thereof;

(c) whether the Enforcement Directorate, Department of Revenue and Income Tax has investigated such cases; and

(d) if so, the action taken by the Government and above named department in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) No case has come to notice of the Government of any undue benefit being taken by major industrial houses of the Double Taxation Avoidance Agreements (DTAAs). Industrial houses which have set up joint ventures or wholly owned subsidiaries in countries with which India has a DTAA, are governed by the clauses of these Agreements. India does not have any such Agreement with British Virgin Islands. However, search operation conducted on a group engaged in computer business has prima-facie indicated undue advantage being taken of India-Mauritius DTAA.

(c) and (d) Does not arise in view of reply to (a) and (b) above. However, the investigation into the affairs of the group engaged in computer business referred to in reply to part (a) and (b) above is still in progress.

Overdrawals by States

*749. SHRI SAVSHIBHAI MAKWANA : Will the Minister of FINANCE be pleased to state :

(a) whether the overdraft position of all State Governments worsened considerably during the current year and their accounts were frozen by the Reserve Bank of India leading to closure of treasuries for a few days;

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

(c) the main reasons for worsening of the financial position in Gujarat and in what way the Union Government propose to help the Gujarat Government?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) Some State Governments have been facing temporary mismatch in their receipts and expenditure resulting in their going into overdraft with RBI.

The transaction between a State and RBI is conducted as per an agreement between the two. It is a matter of relationship between the banker and the client (between RBI and the State Government); such information is not published/made public.

(c) Rising mismatch between revenue receipts and revenue expenditure has resulted in imbalances in the cash position of States. Rising non-plan revenue expenditure, heavy debt burden, inter-alia, are factors contributing to the fiscal stress of State Governments.

In the case of Gujarat, Government of India had released in advance entitlements amounting to Rs. 150 crores and Ways and Means Advance of Rs. 641 crores during 2000-01 and 2001-02. Following the earthquake, the Central Government released Rs. 1467.37 crores under the National Calamity Contingency Fund for immediate relief and rehabilitation. An amount of Rs. 750 crores was released to the State during 2001-02 as non-plan grant. Besides, Government of Gujarat have been allowed additional market borrowings in lieu of tax free

earthquake relief bonds amounting to Rs. 1500 crores during 2001-02 and 2002-03. The RBI had also relaxed the Ways and Means Regulation Scheme and Overdraft Regulation Scheme till end April 2001. The Government of India has also negotiated World Bank Assistance under the Gujarat Earthquake Emergency Relief and Rehabilitation project and ADB assistance to rebuild earthquake hit Gujarat.

To supplement the efforts of the State Government to meet temporary cash imbalance, the Government of India assists the State Government through feasible advance releases of their entitlements and through ways and means advance. For fiscal consolidation, the Government of Gujarat have been enjoined to draw up their monitorable fiscal reform programme aimed at improving its financial position in the medium term in terms of the States' Fiscal Reforms Facility 2000-01 to 2004-05, in pursuance of the recommendations of the Eleventh Finance Commission.

Rate of Interest on PF

*750. SHRI VILAS MUTTEMWAR : Will the Minister of FINANCE be pleased to state :

(a) whether the rate of interest paid on Provident Fund to the employees of the Reserve Bank of India is quite at variance to the interest paid to the other employees in the banking and insurance sector;

(b) if so, the rates of interest being paid by different banks including the Reserve Bank of India to their employees on their provident fund dues;

(c) the sources from which this higher returns on provident fund are met by the RBI; and

(d) the reasons for variation in rates from employees in other sectors?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) Keeping in view the reduction in the administered rates of interest on PPF, GPF and EPF, Reserve Bank of India has been bringing down gradually the rate of interest on Provident Fund of RBI employees over the last 3 years. The rate of interest, which was 13.25% in 1999-2000, was brought down to 11.50% for 2001-2002 with the intention to achieve parity with

administered interest rates by 1st April, 2003. In so far as Public Sector Banks and Insurance Companies are concerned, depending on the interest income earned on the investments of the Provident Fund Trusts, the interest rate has varied between 9% and 11.5% during the last financial year.

(c) and (d) The interest on provident fund for Reserve Bank employees is fixed by the Central Board of the Bank and paid from General Fund in accordance with a formula specified for the purpose; whereas in the case of employees in other sectors viz. Public Sector Banks, Insurance Companies and those covered by EPF scheme, the rates are decided depending upon the income generated through investments of the respective Provident Funds.

Housing Loans

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

(a) whether all public sector banks are giving housing loans at present;

(b) if not, the reasons therefor;

(c) whether the Government have a proposal to liberalise the sanction of housing loans and also to reduce the rate of interest with retrospective effect; and

(d) if so, the details of the plan of the Government in that regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (d) Yes, Sir, Reserve Bank of India have issued instructions to all commercial banks prescribing the annual allocation limit for housing finance. Accordingly, each bank is required to compute its share of the housing finance allocation at 3 percent of its incremental deposits over the previous year. There is no objection to banks exceeding this level having regard to their resources position. The lending rates of banks from time to time are governed by the directives on interest rate issued by RBI. As per extant guidelines the interest on loans up to Rs. 2 lakh should not exceed Prime Lending Rate (PLR) of the bank and beyond Rs. 2 lakhs, banks are free to charge rates over PLR but within the maximum spread fixed by bank. There has been reduction in PLRs of banks following reduction in Bank Rate and Cash Reserve Ratio by RBI.

The reduction in the processing fees and rates of interest coupled with options of floating rates and increase in the tenure of the loan has enabled the common people to access the formal financial sector for assistance at much more affordable rates.

With a view to further improve the flow of credit to housing sector, in the recently announced Monetary and Credit Policy for the year 2002-03 RBI proposed to liberalise the prudential requirements for housing finance by banks and encourage investment by banks in securitised debt instruments of Housing Finance Companies (HFCs). Accordingly :

- Banks extending loans against residential housing properties would be required to assign risk weight of 50 percent, instead of present 100 percent. Loans against the security of commercial real estate would continue to attract 100 percent risk weight as hitherto.
- Investments made by banks in Mortgage Backed Securities (MBS) of residential assets by HFCs which are recognised and supervised by NHB would also be assigned a risk weight of 50 percent for the purpose of capital adequacy. However, investment by banks in MBS of housing assets which include commercial properties would attract 100 percent risk weight.
- Investments by banks in MBS issued by HFCs supervised by NHB will be reckoned for inclusion in the prescribed housing finance allocation of 3.0 percent.
- A Working Group would be set up to suggest modalities for widening the investor base, improving the quality of assets, creating liquidity for trading in such assets and other related issues.

Insurance Companies Tie Up with Banks

*752. SHRIMATI SHYAMA SINGH :
SHRI RAGHURAJ SINGH SHAKYA :

Will the Minister of FINANCE be pleased to state :

(a) whether IRDA is evaluating a proposal to allow insurance companies to have region specific tie up with banks for distributing their products;

(b) if so, the benefits likely to accrue to insurance companies in this regard;

(c) whether banks have agreed region-wise tie up with insurance companies; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (d) According to Insurance Regulatory and Development Authority (IRDA), it is not mandatory for insurance companies to seek its approval for tie-up with banks for distribution of their products. Life Insurance Corporation (LIC), Mumbai and United India Insurance Company (UIIC), Chennai have signed Memorandum of Understanding (MOU) with some banks for marketing their insurance products. The benefits likely to accrue to insurance companies are access to banks' reach, network, infrastructure, brand image, customers' trust and customers database for selling insurance products.

[Translation]

Investment by Multi-National Bank

*753. SHRI BRAHMA NAND MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether a group of international banks have submitted any proposal for making investment in the country, particularly in Jharkhand State;

(b) if so, the names of other States in the country in respect of which such proposal has been submitted by the group of international banks;

(c) the State-wise amount proposed to be invested; and

(d) the sectors in which the investment is likely to be made?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Reserve Bank of India (RBI) has informed that they have not received any such proposal.

(b) to (d) Do not arise.

[English]

Functioning of NGO's

*754. COL. (RETD.) SONA RAM CHOUDHARY : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) the NGOs functioning in the country which are given grants by his Ministry;

(b) the grant given to each of such NGOs during each of the last three years, NGO-wise;

(c) whether the Government have nominated any nodal agency to monitor utilization of the funds given to these NGOs;

(d) if so, the details thereof;

(e) whether some irregularities and mis-appropriation of funds have come to the notice of the Government during the audit of these NGOs; and

(f) if so, the details thereof and action taken by the Government against such NGOs?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) and (b) The names of the NGOs functioning in the country to whom grants (of Rs. 1 lakh or more) were given with the details of grants during the year 1999-2000, 2000-01 are included in the Annual Reports of this Ministry for the respective years. The names of NGOs which were given grants by the Ministry for the year 2001-02 are also included in the Annual Report for the year 2001-02 which is under print.

(c) and (d) Although no nodal agency has been nominated to monitor the utilization of funds the NGOs in receipt of grants from the Ministry are required to submit utilization certificates through the respective State Governments. Through periodic reports, inspections etc. the State Governments monitor the functioning inter alia the utilization of the funds received by the NGOs from the Government. In some cases special reports are called for and inspections are also got conducted by this Ministry.

(e) and (f) Yes Sir. On reports of misutilization of the grants by NGOs, showcause notices are issued and further

release of grant to the concerned NGO is suspended. If after due enquiry misutilization of funds is proved, the NGOs are directed to return the funds and on their failure to do so, action is taken to seize the assets of the NGO through the State Government for recovery of the funds and if necessary, as arrears of land revenue.

Debt Burden of States

*755. SHRI K.P. SINGH DEO : Will the Minister of FINANCE be pleased to state :

(a) the total debt burden of various State Governments on the Union Government as on 31st March, 2002;

(b) whether some State Governments have requested the Union Government to provide certain reliefs;

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

(d) the decision taken by the Union Government on each of this request?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The total debt burden of various State Governments on the Union Government as on 31.3.2002 was Rs. 247030 crores (B.E.), and the amount State Governments owed to the National Small Savings Fund

was Rs. 92870 crores. The Statewise position in the enclosed statement.

(b) to (d) State Governments have, by and large, asked for three types of relief:-

(i) Moratorium on debt.

(ii) Rescheduling of debt.

(iii) Reduction the interest burden on debt.

Insofar as (i) and (ii) are concerned, the position of State Governments has been reviewed by the Eleventh Finance Commission (EFC). The EFC has recommended a scheme of debt relief as part of its report. The recommendations of EFC have been accepted by the Government of India. There is no provision for selective reopening of debt relief beyond the recommendations of EFC. Insofar as (iii) is concerned, the rate of interest on Plan loans as well as Small Savings loans has been reduced to 11.5% and 10.5% respectively effective from 1.4.2002. States have also been enabled to receive 100% of net Small Savings entitlements as against 80% earlier. This is on the condition that States retire their high cost debt contracted earlier, from the incremental 20% Small Savings Advance raised at the current low interest rates.

Statement

State-wise debt burden on Union Government as on 31.3.2002 (BE)

(Rs. in crores)

State	Internal debt	Loans and Advances from Central Government	Special securities issued to NSSF	Provident Funds etc.	Total debt
1	2	3	4	5	6
Andhra Pradesh	16186	20378	4291	4139	44994
Arunachal Pradesh	273	687	12	318	1291
Assam	3877	4296	1400	2168	11741
Bihar	8574	17065	5625	7719	38983
Goa	690	1284	308	450	2732
Gujarat	6581	19519	9304	3412	38815

1	2	3	4	5	6
Haryana	3046	5506	2379	4479	15410
Himachal Pradesh	4419	3032	419	2271	10141
J & K	1936	4469	414	2626	9445
Karnataka	6758	11876	3355	5160	27149
Kerala	6899	6868	2371	10657	26795
Madhya Pradesh	6465	12440	3174	9193	31272
Maharashtra	8300	23900	12416	6938	51554
Manipur	710	461	63	446	1681
Meghalaya	642	419	13	252	1327
Mizoram	496	368	23	353	1240
Nagaland	1053	579	29	568	2229
Orissa	7086	9609	1079	6724	24499
Punjab	6079	13596	6012	6591	32278
Rajasthan	8727	11568	6455	8990	35741
Sikkim	304	250	20	186	760
Tamil Nadu	10774	12596	4214	6693	34276
Tripura	841	766	273	827	2707
Uttar Pradesh	20658	36577	11321	10882	79439
West Bengal	14566	24318	14460	3950	57358
NCT of Delhi	0	4539	3441	0	7980
Total	145940	247030	92870	105993	591833

*The States of Bihar, MP and UP include the debt of newly formed States viz. Jharkhand, Chhattisgarh and Uttaranchal, respectively.

Source : RBIs Report on State Finances, January, 2002.

Plan to Boost Exports

*756. SHRI G. MALLIKARJUNAPPA :
SHRI IQBAL AHMED SARADGI :

Will the Minister of COMMERCE AND INDUSTRY be

pleased to state :

(a) whether in a bid to overcome the slowdown in exports, the Union Government are working out a Rs. 4,250 Cr plan to spruce up export infrastructure;

(b) if so, whether under this ambitious plan, the state government would be involved in export promotion;

(c) whether merger of three existing windows for development of export infrastructure is also under consideration;

(d) if so, the details of the plan that are being consideration; and

(e) the extent to which the countrys export is likely to increase under these plans?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (e) In the 10th Five Year plan (2002-2007), a total of Rs. 4300 cr has been allocated to Department of Commerce for various infrastructural schemes. The break up is placed at statement. Out of this Rs. 4300 cr,

Rs. 1625 cr has been allotted for assistance to States for development of infrastructure for increase of export under a new scheme named Assistance to States for Developing Export Infrastructure and Allied Activities. Earlier the responsibility for promotion of exports and creating the necessary infrastructure had largely been undertaken by the Central Government, but in the new scheme the states would also be involved in the export effort. The earlier three schemes viz. Critical Infrastructure Balance Scheme, Export Promotion Industrial Parks Scheme and Export Promotion Zones Scheme have been merged with the new scheme. The details of the Assistance to States for Developing Export Infrastructure and Allied Activities Scheme is available at Ministry of Commerce and Industry (Department of Commerce) website "<http://commin.nic.in/doc>". As the scheme is meant for development of infrastructure, it is not possible to quantify the likely increase in export.

Statement

*Ministry of Commerce Industries
(Department of Commerce)*

(Rs. in crores)

Industry and Mineral Sector

Sl. No.	A Infrastructural Schemes	10th Plan Outlay			
		BS	IEBR	EAP	Total
1	2	3	4	5	6
1.	Assistance to States for infrastructure	1625.00			1625.00
2.	Agricultural and Processed Food Products Export Development Authority (APEDA)	310.00			310.00
3.	Marine Products Export Development Authority	300.00			200.00
4.	Anti-Dumping	5.00			5.00
5.	Export Credit Guarantee Corporation	392.00			392.00
6.	Export Promotion Quality Control and Inspection :				
	(i) EAN India	2.00			2.00

1	2	3	4	5	6
	(ii) Export Inspection Council	8.00			8.00
	(iii) Centre for WTO Studies	5.00			5.00
	(iv) Market Access Initiatives	452.00			452.00
	(v) Assistance to Institutions				
	(a) Indian Institute of Foreign Trade	25.00			25.00
	(b) India Institute of Packaging	15.00	15.00		30.00
	(vi) Quality Council of India	0.60			0.60
7.	Modernisation and Upgradation :				
	(a) Secretariat-Economic Services	10.00			10.00
	(b) Director General of Foreign Trade	14.00			14.00
	(c) DGCI&S	12.40			12.40
8.	Footwear Design & Dev. Inst.	5.00			5.00
9.	Computerisation in DGS&D	7.00			7.00
	Total – I & M Sector	3088.00	15.00		3103.00
Agricultural Sector					
1.	Tea Board	350.00			350.00
2.	Rubber Board	415.00			415.00
3.	Coffee Board	300.00			300.00
4.	Spices Board	140.00			140.00
5.	Tobacco Board	2.00			2.00
6.	Cashew EPC	3.00			3.00
7.	IIPM	2.00			2.00
	Total – Agricultural Sector	1212.00			1212.00
Grand Total – Department of Commerce		4300.00	15.00	-	4315.00

**World Bank Aid for Rural Water
Supply Schemes**

*757. SHRI BHARTRUHARI MAHTAB : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have received any proposal from Orissa Government seeking World Bank assistance for Rural Water Supply and Sanitation Project in the State;

(b) if so, whether the Government have examined the project proposal and forwarded the same to the World Bank;

(c) if not, the reasons for delay; and

(d) the time by which the proposal is likely to be accorded clearance?

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

(b) to (d) Do not arise.

[Translation]

Income Tax on Railway Passes

*758. SHRI SUNDER LAL TIWARI :
SHRI A. KRISHNASWAMY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have imposed an income-tax on free railway passes issued to the employees of Railways;

(b) if so, the details thereof;

(c) the rationale behind such imposition;

(d) whether the same yardstick is not applied on the employees of Indian airlines/Air India;

(e) if so, the reasons therefor; and

(f) the steps taken by the Government to follow an uniform policy in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to

(c) The Government vide notification S.O.940(E) dated 25.9.2001 has amended rule 3 of the Income Tax Rules, 1962, relating to valuation of perquisites.

The revised provisions lay down the rules for determining the value of any benefit or amenity resulting from the provision by any undertaking engaged in the carriage of passenger or goods to any employee or to any member of his family for personal or private journey free of cost or at a concessional rate. The value of the perquisite is computed by taking the amount at which the facility costs to the public and reduced by the amount recovered from the employee, if any.

The amendment is intended to make the valuation in respect of existing perquisites for which no valuation norms existed in the earlier rules.

(d) No, Sir.

(e) Does not arise.

(f) Does not arise.

[English]

**Special Component Plan
for SCs/STs**

*759. SHRI SUKDEO PASWAN :
SHRI C.N. SINGH :

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) the number of families covered under the special component plan formulated for the members of the SCs/STs during the years 2001-2002, State-wise;

(b) the target fixed for the said period;

(c) whether the target fixed has been achieved; and

(d) if not, the reasons therefor?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) to (d) In accordance with the guidelines the State Governments/UT Administrations are required to prepare and implement the Special Component Plan (SCP) for the socio-economic development for Scheduled Castes as integral part of the

States/Union Territories' Five Year and Annual Plans. The statistical data regarding the fixation of targets, implementation of the SCP is maintained by the respective State Governments/UT Administrations.

[Translation]

FERA Violation by Indian Exporters

*760. SHRI RAMSHAKAL : Will the Minister of FINANCE be pleased to state :

- (a) whether there is a large scale outflow of foreign exchange and FERA violations due to insertion of advertisements by Indian exporters in foreign T.V. channels;
- (b) if so, the number of FERA violation cases registered against these exporters;
- (c) whether the Government propose to formulate a comprehensive policy regarding insertion of advertisements in foreign T.V. channels by the Indian exporters; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The Enforcement Directorate has conducted investigations into the allegations of violation of provision of Foreign Exchange Regulation Act (FERA), 1973 by the Indian Agents of some of the Foreign T.V. Channels and certain Export Houses in respect of telecast of advertisement and remittance of advertisement charges. Show cause notices have been issued to such agents and exporters in 123 cases of violation of provisions of FERA.

Action in accordance with provisions of FERA read with Exchange Control Manual of RBI have been initiated against them.

(c) and (d) Remittances on account of advertisements on foreign TV channels by a person resident in India can be allowed by authorised dealers in foreign exchange in terms of item 13 of Schedule III of the Foreign Exchange Management (Current Account Transactions) Rules, 2000. Also remittances on account of advertisements on foreign TV channels made out of Exchange Earner's Foreign Currency (EEFC)/Resident Foreign Currency (RFC)

Accounts can be permitted by the Authorised Dealers. Only in respect of a person whose export earnings are less than Rs. 10 lakh during each of the preceding two years, prior permission of Reserve Bank of India is required for the remittance.

[English]

Marketing Regulations by Hindustan Paper Corporation Limited

7712. SHRI AMAR ROY PRADHAN :
SHRI BRAHMA NAND MANDAL :

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

- (a) whether non-adherence to the marketing regulations by M/s. Hindustan Paper Corporation Limited, after 1995 has resulted in accumulation of huge outstanding;
- (b) if so, the details of those regulations which resulted to huge outstandings;
- (c) the names and designations of officials of Corporation, who were responsible for such loss to the Corporation; and
- (d) the action taken against each of them by the Government?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) and (b) The total outstandings of Hindustan Paper Corporation (HPC) in 2000-01 are Rs. 139.4 crore out of which outstandings on account of non-adherence to marketing regulations of HPC are Rs. 16.12 crore. The irregularities on account of violation of marketing regulations mainly include violation of credit limits and supplies to the parties whose cheques got dishonoured.

(c) and (d) In pursuance of decision of Board of Directors of HPC in their meeting held on 22.1.2000, the criminal proceedings were filed with Deputy Inspector General, Central Bureau of Investigation, Kolkata giving the details of mis-conduct, fraud etc. allegedly committed in the matter. Disciplinary proceedings have also been initiated against 13 officials of HPC for fixing responsibility

and taking consequential appropriate action. Other action like suspension and transfers has also been taken. HPC has also filed complaint under Section 138 of Negotiable Instrument Act against one stockist before a Delhi Court, which is presently sub-judice.

Promotion of Workman in RRBs

7713. SHRI VARKALA RADHAKRISHNAN : Will the Minister of FINANCE be pleased to state :

(a) whether there is a ban on promotion from "workman" of the regional rural banks;

(b) if not, the number of promotional vacancies each Sponsor Bank has approved from each category of workman in the RRBs after 1991 to the date of introduction of Manpower Planning Department; and

(c) the action taken by the Government against the defaulter sponsor banks e.g. Bank of Baroda, Central Bank of India, Bank of India, Union Bank and Dena Bank for their failure to approve any promotional vacancy from workman after the year 1990 to this date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

(b) National Bank for Agriculture and Rural Development (NABARD) has reported that the promotional vacancies of each category of workman approved by most of the sponsor banks in the Regional Rural Banks (RRBs) after 1991 are as under:-

Name of the Sponsor Bank	From Messenger to Clerk	From Clerk to Officer
1	2	3
Canara Bank	20	87
Indian Overseas Bank	6	21
Andhra Bank	10	27
Bank of Maharashtra	3	17
Bank of Baroda	—	6
Central Bank of India	—	59

1	2	3
State Bank of India	111	200
Allahabad Bank	3	5
Punjab National Bank	9	78
Union Bank of India	8	—
Syndicate Bank	7	156
Corporation Bank	—	9
State Bank of Hyderabad	18	50
State Bank of Mysore	10	—
State Bank of Saurashtra	2	7
United Bank of India	16	112
UCO Bank	15	21

(c) As per NABARD's report these Banks are in the process of implementation of Manpower norms and the promotions would be effected, subject to availability of vacancies in their respective RRBs.

[Translation]

Charter of Demands by Traders

7714. SHRI KAILASH MEGHWAL : Will the Minister of FINANCE be pleased to state :

(a) whether any memorandum or charter of demands has been submitted to the National Bank for Agriculture and Rural Development by the traders who deal in Narma or Narma products in Tonk district of Rajasthan;

(b) if so, the details thereof;

(c) whether any scheme have been formulated by the bank for solving the problem encouraging development and marketing of this industry; and

(d) if so, the details thereof alongwith the action being taken in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) National Bank for Agriculture and Rural Development (NABARD) has reported that it does not have any information about Narma or Narma products nor any agency with that name has been funded or assisted by

it. However, NABARD has provided assistance for Namda and Namda products, which is a coarse wooden floor cover. NABARD has, further reported that it has not received any memorandum or charter of demands from traders who deal in Namda and Namda products of Tonk district of Rajasthan.

(c) and (d) NABARD has conducted a product development workshop in Namda and Namda products through Rajasthan Chamber of Commerce and Industry, Jaipur in which officials from District Industries Centre, District Rural Industries Project (DRIP), artisans from the cluster, bank officials, experts from the trade, master craftsmen, etc. participated. Options for the development of the activity, product improvement and diversification were discussed. Based on the outcome of the discussions, NABARD has sanctioned a Rural Entrepreneurship Development Programme (REDP) to Rajasthan State Productivity Council, Jaipur with grant assistance of Rs. 50,000 as an incentive. The programme is expected to commence from June 2002.

Representation of SC/ST in RRB Chambal

7715. SHRI ASHOK ARGAL : Will the Minister of FINANCE be pleased to state :

(a) the total staff in Chambal Regional Rural Bank and number of SCs/STs out of them;

(b) whether appointment of SCs/STs have been made in accordance with the quota fixed by the Central Government alongwith total backlog and steps being taken to clear it;

(c) the number of promotions made in said bank during the last three years so far and number of SCs/STs out of these;

(d) whether the promotion of SCs/STs have been done in accordance with the norms of the Central Government; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (e) The information is being collected and will be laid on the Table of the House to the extent possible.

[English]

Utilization of Excess Foodgrains

7716. SHRIMATI JAYASHREE BANERJEE : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government propose to utilize the excess foodgrains available with the Government for distribution in the Tribal areas in the country;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) to (c) A Central Sector Scheme for setting up of Grain Banks is under implementation since 1996-97 exclusively for tribal villages in 13 States in the country. The Scheme provides that villagers in identified areas can form a committee and set up grain bank in village. The Government of India provides one time 100% grant for setting up the grain banks, @ 100 kgs. of locally consumed foodgrains per family. The members can borrow from this bank in time of need and repay in kind after harvest or getting income as wages.

A proposal to enlarge the existing Central Sector Scheme 'Grain Bank' is under consideration of the Government.

Enquiries Against Officers

7717. SHRI CHADA SURESH REDDY : Will the Minister of TEXTILES be pleased to state :

(a) the number of departmental/vigilance enquiries conducted against Gazetted Officers of the office of Handicraft Development Commissioner during the last three years on complaints lodged by Member of Parliament or departmental officers;

(b) whether all the enquiries have been completed;

(c) if so, the results thereof; and

(d) the details of cases where enquiries were stopped alongwith reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) Three (3) Departmental Vigilance inquiries have been conducted against Gazetted Officers of Office of the Development Commissioner (Handicrafts) during the last three years on the complaints lodged by Departmental Officers. However, no complaint has been lodged by Member of Parliament against the Gazetted Officers.

- (b) No, Sir.
- (c) Does not arise.
- (d) No inquiry had been stopped.

Poppy Cultivation

7718. SHRI M.K. SUBBA : Will the Minister of FINANCE be pleased to state :

(a) whether the Customs Department in association with the Central Bureau of Narcotics has recently destroyed 218 hectares of poppy cultivation along the Assam—Arunachal border, without providing alternative sources of income to the growers;

(b) if so, the details of the regulations and the programmes set forth in this regard;

(c) whether any programme sponsored by ILO and UNDP for creating awareness amongst the people against ill-effects of opium has been launched;

(d) if so, the details thereof; and

(e) the steps taken to provide alternative means of income to the cultivators and others concerned, thrown out of job?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) With the assistance of the Customs and Central Excise Department, Shillong and the State Government Agencies concerned, the Central Bureau of Narcotics has arranged to destroy a total of 218.65 hectare of illicitly cultivated opium poppy in Lohit and Upper Siang Districts of Arunachal Pradesh. Under the relevant provisions of the Narcotic Drugs and Psychotropic Substances (NDPS) Act, 1985, opium poppy can be cultivated only in notified tracts and by licensed cultivators. The provisions of the above

mentioned Act also mandate destruction of illicitly cultivated opium poppy and further prescribe stringent punishment, including fine upto one lakh Rupees and imprisonment upto 10 years, for those who commit the offence of such illicit cultivation.

(c) to (e) A non-Government project initiated by United Nations Drug Control Programme (UNDCP), United Nations Development Programme (UNDP) and International Labour Organisation (ILO) has been taken up in the illicit opium cultivating Districts of Arunachal Pradesh, for evolving a comprehensive strategy for alternative development including amelioration of the social conditions, providing alternative long-term livelihood, improving social infrastructure and creating awareness of the pernicious effects of drug addiction.

[Translation]

Per Capita Availability of Kerosene

7719. SHRI MANSINH PATEL :

SHRIMATI RAJKUMARI RATNA SINGH :

SHRIMATI SANGEETA KUMARI SINGH DEO :

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) the per capita availability of kerosene in Gujarat, U.P., Orissa and other States at present;

(b) whether this is equal to national average and if not, the reasons therefor;

(c) whether the Government propose to increase the allotment of kerosene to Gujarat, Uttar Pradesh and Orissa; and

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

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) The per capita availability of kerosene as per the allocation for the year 2002-2003 for States/UTs are given in the enclosed statement. The per capita allocation is more in Gujarat (15.44 kg. per annum) and less in Orissa (8.85 kg. per annum) and Uttar Pradesh (7.59 kg. per annum) than the national average of (9.35 kg. per annum).

(b) Difference in per capita allocation amongst various States/UTs and national average is because of the criteria based on historical followed till 1993 for allocation of kerosene.

(c) and (d) Kerosene is a deficit product and a substantial portion of our requirements are met through imports. Requests are received from State Governments for additional allocation of kerosene from time to time. However, on account of constraints of product availability, foreign exchange and heavy subsidy involved, it is not always possible to meet such demands in full.

Statement

SKO Allocation to Various States

States/UTs	SKO Alloc. for 2002-03 (MT)	Per Capita Alloc. (2002-03) (Kg/Annum)
1	2	3
Andaman & Nicobar	5709	16.02
Andhra Pradesh	566113	7.48
Arunachal Pradesh	9793	8.97
Assam	261081	9.80
Bihar	646618	7.80
Chandigarh	14089	15.64
Chhattisgarh	147977	7.12
Dadra & N. Haveli	3003	13.62
Daman & Diu	2273	14.38
Delhi	188854	13.70
Goa	21999	16.37
Gujarat	781176	15.44
Haryana	155928	7.40
Himachal Pradesh	56509	9.30
Jammu & Kashmir	84413	8.38

1	2	3
Jharkhand	216766	8.06
Karnataka	500625	9.49
Kerala	236758	7.44
Lakshadweep	874	14.43
Madhya Pradesh	497726	8.24
Maharashtra	1367232	14.13
Manipur	20857	8.73
Meghalaya	20597	8.93
Mizoram	6748	7.57
Nagaland	13332	6.70
Orissa	317443	8.65
Pondicherry	13307	13.66
Punjab	272143	11.20
Rajasthan	417204	7.39
Sikkim	6403	11.85
Tamil Nadu	582712	9.38
Trimpura	31545	9.89
Uttar Pradesh	1261121	7.59
Uttaranchal	98454	11.61
West Bengal	778784	9.71
All India	9606166	9.35

[English]

UTIs New Schemes

7720. SHRI T. GOVINDAN : Will the Minister of FINANCE be pleased to state :

(a) whether the UTI have recently introduced some new scheme to gain the confidence of its customers again; and

(b) if so, the details of these schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Information is being collected and will be laid on the table of the House.

[Translation]

Assistance to Voluntary Organisations

7721. SHRI SHIVAJI MANE :
DR. M.P. JAISWAL :

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) the voluntary organizations of Maharashtra and Bihar which are getting financial assistance from his Ministry;

(b) the amount of financial assistance sought by these organizations and the actual assistance sanctioned to them during the last two years;

(c) the norms followed for sanctioning funds; and

(d) the organizations which have been black-listed during the last two years?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) and (b) The Ministry has provided financial assistance amounting to Rs. 2819.12 lakhs to 347 voluntary organizations of Maharashtra and Bihar during 2000-01 and 2001-02. Details of grants (of Rs. 1 lakh or more) are available in the Annual Report of the Ministry for the year 2000-01. The names of NGOs which were given grants by the Ministry for the year 2001-02 are also included in the Annual Report for the year 2001-02 which is under print. Voluntary organizations seek assistance as per their own assessment but grant-in-aid is sanctioned as per norms of the various schemes.

(c) Norms guiding the scale of assistance to be released are detailed in each of the ten schemes under which grant-in-aid is sanctioned to the voluntary organizations. These are part of the 'compendium of schemes' a publication of the Ministry.

(d) Grant-in-aid assistance has been suspended/stopped in respect of the NGOs listed in the enclosed statement.

Statement

List of organisations in Maharashtra and Bihar in respect of whom release of grant-in-Aid has been suspended/stopped

Sl.No.	Name of the organisation
1.	Shaheed Abdul Hameed Education Institute, Dherwaha, Khatipura, Ward No. 60. Dist. Yavatmal, Maharashtra
2.	Jambuvant Maharaj Shikshan Sanstha, Banjara Colony, Khokadpura, Aurangabad, Maharashtra
3.	Apanga Mahila Mandal Amravati, Kamal Jadhav, Maharashtra
4.	Savitribai Jyotirao Phule Samaj Sewa Sansthan Tarhala, Tarhala, Taluk Magroolpir, Distt. Akola, Maharashtra.
5.	Jambuvant Maharaj Shikshan Sanstha, Banjara Colony, Khokadpura, Aurangabad, Maharashtra
6.	Akshar Sarvajanic Vachanalaya, Ambikanagar, Malkapur, Akola, Maharashtra
7.	Apanga Association Nandgaon, Khandeswa, Amrawati, Maharashtra
8.	Gulab Sing Mahila Evam Bal Kalyan Sangh, VIII. & P.O. Rukundipur, Daraunda, Siwan, Bihar
9.	Gramin Vikas Sangathan, Gaya, Bihar (under Scheme for Spl. School for MR Children & Scheme for Rehabilitation Centre for Mentally Retarded)

[English]

VRS in Burn Standard Company Limited

7722. SHRIMATI MINATI SEN : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether the Government have planned to go in for a joint venture to run BSCL;

(b) if so, the number of workers, employees and officers allowed to go on VRS in all the units of BSCL;

(c) whether the Provident Fund and Gratuity have been cleared to those on Voluntary Retirements;

(d) if no, when it is expected;

(e) whether a new project has been undertaken in Salem Unit of BSCL which will also be modernized; and

(f) if so, the total amount spent for closure of Refractory units and payment of VR amount alongwith other units where VRS was allowed, separately?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) Yes, Sir.

(b) As on 31.3.2002, the number of employees separated is 3823 which include 2651 workers, 728 staff and sub-staff and 444 officers.

(c) and (d) Gratuity has been cleared to all the employees separated under Voluntary Retirement except few cases where payment will be released on vacating Company's quarters. The matter regarding release of Provident Fund is under consideration.

(e) Co-clinker Plant was taken up as a new project in terms of BIFR revival Scheme. The said plant has been set up in Salem Unit recently. Additional investment has also been made for modernization of existing facilities.

(f) Salem Works is an operating Unit and with the recent introduction of Voluntary Retirement Scheme, 530 employees of the Unit have been separated involving a total payment of Rs. 17.16 crore.

The amount spent for closure of 7 loss making refractory Units for settlement of VRS dues of 934 employees during 2000-01 is Rs. 147.40 crore. In addition amount spent for payment of salary and wages and statutory dues is Rs. 4.95 crore.

The amount spent for separation of 3293 employees of other Units of BSCL through VRS during 2001-02 is Rs. 117.69 crore.

[Translation]

TDS by Public and Private Sector Companies

7723. SHRI SATYAVRAT CHATURVEDI :

SHRI SUNDER LAL TIWARI :

Will the Minister of FINANCE be pleased to state :

(a) the names of the private and public sector companies which have not complied with the TDS provisions during the year 2001-2002;

(b) the details of the dues outstanding against them;

(c) the action taken by the Government for the recovery of TDS from these companies and the time by which this amount is likely to be recovered; and

(d) the specific steps taken by the Government to check the recurrence of such incidents in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (d) The information is being collected and will be laid on the Table of the House.

Government Assistance for Construction of Private Warehouses

7724. DR. LAXMINARAYAN PANDEYA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the quantum of foodgrains stored in the Central and the State Government's godowns is double their capacity;

(b) whether the Government have announced to provide assistance for construction of private owned warehouses to meet this storage requirement; and

(c) if so, the details of godowns constructed with such assistance, State-wise particularly in Rajasthan and Madhya Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) Against the storage

capacity of 568.80 lakh tones available for storing foodgrains with FCI, CWC; SWCs and other State agencies, the total stocks of foodgrains in Central Pool held by FCI and State Agencies as on 1.4.2002 was 510.23 lakh tones.

(b) Under the National storage policy announced by the Government, no direct financial assistance is being provided for construction of warehouses by private parties. However, under the policy, seven years guarantee for 100% capacity utilisation has been provided to private sector for construction of godowns on Build-Own-Operate (BOO) basis at the locations identified by the FCI.

(c) Bids have been invited by FCI for construction of godowns through private sector participation on BOO basis which are being processed.

[English]

Formulation of Agro Marketing Strategy

7725. SHRI PRAKASH V. PATIL : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government have formulated a comprehensive scheme for marketing agro produce including cereals and non farm rural products in view of the implementation of WTO agreements;

(b) if so, whether private participation in these regulated markets is contemplated;

(c) whether similar efforts have been made by States such as Karnataka, Punjab, Haryana, Andhra Pradesh and Tamil Nadu;

(d) if so, the present status of the proposal; and

(e) the details in this matter thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) to (e) An Expert Committee on Strengthening and Developing of Agricultural Marketing appointed by Government of India has in its report inter-alia recommended involvement of private sector in development of marketing infrastructure. The Expert Committee has also recommended involvement of

cooperatives as also the joint sector, farmers, organization, self help groups, etc. in many areas of agricultural marketing. An Inter-Ministerial Task Force has been constituted by the Government in the Department of Agriculture and Cooperation to examine the recommendations and suggest measures for the implementation of the recommendations of the Expert Committee. The State Governments/Union Territory Administrations have also been requested to examine the recommendations of the Expert Committee and provide their feedback to the Task Force on the implementation of the recommendations.

Government of Karnataka has amended the State Agricultural Produce Marketing Regulation Act, 1966 to facilitate setting up of integrated marketing of fruit and vegetables by National Dairy Development Board (NDDB). The NDDB is accordingly developing fruits and vegetables markets at Bangalore. Information in respect of other states is not available.

Economic Growth

7726. SHRI BASU DEB ACHARIA : Will the Minister of FINANCE be pleased to state :

(a) whether International Monetary Fund warned that India's high level of fiscal deficit could have serious consequences for the economic growth of the country;

(b) if so, the details thereof;

(c) whether the fiscal deficit is at nearly 10 percent of the gross domestic product;

(d) whether this fiscal deficit is one of the highest in the world; and

(e) if so, the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) In recent years International Monetary Fund (IMF) in their Article IV consultations with India have drawn attention towards the implications of the high level of fiscal deficit for economic growth. In one of their recent assessments, the IMF Executive Board has drawn attention to "...continued signs that domestic structural constraints and the fiscal situation were adversely affecting investment and the economy's potential."

(c) and (d) The combined gross fiscal deficit of Centre and States as a proportion of gross domestic product (GDP) is estimated at 9.6 percent for 200-01 (Revised Estimate). It will not be meaningful to compare the fiscal deficit in different countries without studying the composition and ownership of debt and debt exposure to exchange rate risks.

(e) The broad strategy of the Budget 2002-03 is to continue the emphasis on agriculture and food economy reforms; enhance public and private investment in infrastructure; strengthen the financial sector and capital markets; deepen structural reforms and regenerate industrial growth; provide social security to the poor; and consolidate tax reforms and continue fiscal adjustment at both the Central and State levels. To this end, the Budget 2002-03 contains a number of reform measures. The Budget for 2002-03 has also provided enhanced plan outlays for key infrastructure sectors and allocations for rural development. Besides, measures have been taken to stimulate domestic demand. These among others include further reduction in administered interest rates, scaling down of peak customs tariff and further simplification in the excise duty regime etc. Also progress has been made in the privatization and in the implementation of Expenditure Reforms Commissions recommendations. With a view to improve finances of the States, Central Government has been working jointly with the States through the Fiscal Reforms Incentive Fund set up on the recommendations of the Eleventh Finance Commission. It is the endeavour of the Government to bring down the consolidated debt to DGP ratio to sustainable levels by 2005 and to put in place programmes and policies which will remove barriers to growth.

Working of Central Excise Settlement Commission

7727. SHRI SUBODH MOHITE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have reviewed the working of the Customs and Central Excise Settlement Commission;

(b) if so, the details thereof;

(c) the cases received and settled by the Commission, State-wise;

(d) whether the Commission propose to set up more benches in the country; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Settlement Commission was established in 1999 with the Principal Bench at Delhi and three additional benches at Mumbai, Chennai and Kolkata. However, keeping in view the workload in the initial years, it was decided to make only the Principal Bench and the additional benches at Mumbai and Chennai functional. On review, it has also been decided to make the Kolkata bench functional during the current financial year.

(c) A statement is enclosed.

(d) and (e) There is no such proposal at present.

Statement

Sl. No.	Name of the State	No. of Cases Received	No. of Cases Settled
1	2	3	4
1.	Uttar Pradesh	57	20
2.	Haryana	23	14
3.	Rajasthan	12	2
4.	Delhi	93	3
5.	Punjab	8	2
6.	Chandigarh	35	20
7.	West Bengal	7	5
8.	Jharkhand	9	8
9.	Uttaranchal	2	2
10.	Tamilnadu	104	16
11.	Andhra Pradesh	78	23
12.	Kerala	10	1
13.	Karnataka	39	4

1	2	3	4
14.	Maharashtra	342	80
15.	Madhya Pradesh	2	0
16.	Gujarat	146	15
17.	Goa	16	1
Total		983	216

[Translation]

**Construction of CWC Godowns
in West Bengal**

7728. SHRI BIR SINGH MAHATO : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government of West Bengal has forwarded certain schemes on behalf of the West Bengal Warehousing Corporation for Construction of godowns in several districts of the State;

(b) if so, the details thereof;

(c) whether other State Governments have also forwarded similar schemes;

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

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

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) and (b) No, Sir.

(c) to (e) The States of Punjab, Haryana, Andhra Pradesh, Uttar Pradesh, Orissa, Chattisgarh and Uttaranchal had requested for construction of godowns under the 7-years guarantee scheme. The Government has conveyed to the concerned State Governments the approval for construction of the following covered storage capacity under the 7-years guarantee utilization scheme:—

Sl. No.	State	Capacity (in lakh MT)
1.	Punjab	41.60
2.	Haryana	9.00
3.	Andhra Pradesh	21.27
4.	Uttar Pradesh	8.00
5.	Uttaranchal	0.50
6.	Orissa	2.50
7.	Chattisgarh	2.50
Total		85.37

[English]

Action Against Fiat Company

7729. SHRI KIRIT SOMAIYA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) the steps taken to safeguard and protect the interest of lakhs of investors with PAUL group of FIAT India towards booking of UNO car which has not been offered to the investors and are waiting indefinitely to recover booking money with the interest promised as per terms and conditions of the booking by the said Mumbai Company;

(b) whether the Company has been asked by the Government to expedite refund of the booking money which ought to have been paid within 60 days of the refund demand to the investors as per agreement which is being violated now; and

(c) if not, whether the Government will initiate legal action and arrest the directors of the company for cheating the innocent public?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD) : (a) to (c) As per the provisions of the Consumer Protection Act. It is for the aggrieved consumers to initiate legal action against the company and seek redressal of their grievances where the

conditions of any agreement have been reportedly violated.

Chinese Motor Cycles in India

7730. SHRI DALPAT SINGH PARSTE : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether it is a fact that the much awaited Chinese two-wheelers are yet to be launched in Indian roads;

(b) if so, whether it is also a fact that most of these bikes do not meet Indian emission norms; and

(c) if so, the reaction of the Government in this regard and the steps taken to safeguard the interests of domestic industry?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (c) Imports of two-wheelers including motorcycles/bikes, as classified under Exim Heading 87.11 in ITC(HS), are freely importable. However, imports of these items are subject to the compliance of the provisions of the Motor Vehicle Act, 1988 and rules made thereunder.

After removal of the quantitative restriction with effect from 31.3.2001, specific conditions like testing, homologation etc. have been imposed on the import of automobiles including two-wheelers/motorcycles. Besides, all imported products have to conform to standards prescribed for like domestic products. Products not conforming to these conditions and standards including emission norms are not allowed for imports.

SC's/Scheduled Tribes in Banks/ Financial Institutions

7731. SHRI ANANTA NAYAK : Will the Minister of FINANCE be pleased to state :

(a) whether the representation of Scheduled Castes/Scheduled Tribes in public sector banks/financial institutions is not adequate;

(b) if so, the bank-wise and financial institution-wise details thereof as on March 31, 2002;

(c) the reasons for the poor representation of SC's/ST's in the banks and the financial institutions; and

(d) the steps taken to clear the backlog?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (d) The information is being collected and will be laid on the Table of the House.

Residential Accommodation Hired by SEBI

7732. SHRI G.S. BASAVARAJ : Will the Minister of FINANCE be pleased to state :

(a) whether the Securities and Exchange Board of India Mumbai hired expensive office space without following normal procedures resulting in blocking of deposit amount of Rs. 4.65 crores for over four years after expiry of lease agreement and consequent loss of interest amounting of Rs. 8.17 crores;

(b) if so, whether SEBI also hired residential accommodation in violation of proper procedure resulting in a loss of Rs. 3.66 crores on account of interest by blocking deposits Rs. 8.00 crores upto February, 2001 and Rs. 7.45 crores upto July, 2001; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) According to the Securities and Exchange Board of India (SEBI), it acquired the premises following the existing practice in the organisation. The said premises are being used by SEBI for its office without payment of rent since 1997. If the premises are vacated by SEBI, they would have to take alternate premises and would be required to pay security deposit and rent.

(b) SEBI has intimated that if flats are not taken on rent then SEBI would have to buy the flats at a much higher cost. Therefore, whether the premises are taken on rent or ownership basis, there would be interest cost on capital. Two of the premises mentioned by statutory auditors have been vacated by SEBI and deposit of Rs. 3.80 crores has since been refunded to SEBI by the lessors.

(c) SEBI has issued guidelines for acquisition of premises. The same are being followed since 28.7.1998.

Visit of CII Delegation to China

7733. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether an Indian delegation including the Director General of CII visit China and has sought Indian co-operation for developing global standards of information technology as reported in the Hindustan Times dated 26.4.2002 under caption "China seeks India's e-Commerce expertise";

(b) if so, the main areas for co-operation discussed between Indian delegation and Chinese Government; and

(c) the extent to which the co-operation between the two countries is likely to increase after visit of this delegation?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) No, Sir.

(b) and (c) Do not arise.

Early Warning System In Cooperative Banks

7734. SHRI A. BRAHMANAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether the RBI has superseded the Board of some cooperative urban banks in Maharashtra in 2001-2002;

(b) if so, the names of all such urban cooperative banks whose Boards were superseded by RBI;

(c) the reasons for such supersession in each case;

(d) whether the RBI does not have any early-warning system in place to forestall such collapse of urban cooperative banks;

(e) if so, the reasons for the non-operation of such

early warning systems of the RBI in case of urban cooperative banks; and

(f) the corrective steps taken in this matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Reserve Bank of India (RBI) has reported that it does not have the power to supersede the Board of Directors of Urban Co-operative Banks (UCBs) on its own. These powers are vested with the Registrar of Co-operative Societies of the respective States. However, there is a provision in the Co-operative Societies Acts of the States to requisition the Registrar to supersede the Board of Directors, in the interests of the depositors to secure proper management. During the year 2001-2002, the Boards of 2 UCBs have been superseded in Maharashtra at the instance of RBI, viz. Rupee Co-operative Bank, Pune and Western Co-operative Bank Ltd., Mumbai by invoking the provisions contained in the Maharashtra Co-operative Societies Act, 1960.

(c) RBI has reported that in both these cases, there have been many violations of RBI directions. In the case of Rupee Co-operative Bank Ltd., there has been deterioration in the quality of loan assets of the bank as the bank's gross Non-Performing Assets (NPAs) formed 34.2% of total loans and advances outstanding. The financial statements of the bank did not depict true and fair picture and the bank had resorted to granting moratorium ranging 12 to 36 months to certain ineligible large borrowal accounts to circumvent NPA norms. It violated RBI directives on interest rates on deposits and the top officials of the bank waived interest to a few large borrowers without mandate of the Board. The bank had enrolled certain Co-operative Credit Societies as its member in violation of Banking Regulation Act, 1949 and its own bye-law. The mismanagement of the affairs of the bank by its Board of Directors resulted in heavy erosion in value of assets which rendered it to be classified as 'weak'. In the case of Western Cooperative Bank Ltd., the bank had defaulted in maintenance of cash reserves and liquid assets on 52 and 6 occasions. The credit portfolio was not properly administered and the bank had violated RBI directives on credit exposure as well as on unsecured advance to a single borrower. The Board of the bank did not pay due attention to important areas such as

sanction of loans and advances, income and expenditure account and was not regular in submitting statutory returns to RBI.

(d) and (e) RBI has reported that there is a system of identification of weak banks based on certain financial parameters. Such banks are identified on the basis of statutory inspection and Annual Financial Reviews conducted by the regional Offices of the RBI with reference to the financial position of banks as on March 31 every year.

(f) RBI has initiated a series of policy measures to strengthen the regulatory/supervisory framework and also to improve the operational efficiency of UCBs. These include restricting the operations of cooperative banks in call money market, revising the norms of investment in Government and other approved securities, restricting the investment of funds as deposit with other cooperative banks, restricting the issue of bankers' cheques by urban co-operative banks, introduction of a system of Off-site surveillance on scheduled urban banks, etc.

[Translation]

Rating of FD's of Public Sector Banks

7735. SHRI SADASHIVRAO DADOBA MANDLIK :
SHRI C.N. SINGH :
SHRI SUKDEO PASWAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the fixed deposit scheme of public sector bank have not been rated, while private sector bank/ companies have been included in this scheme;

(b) if so, the reasons therefor;

(c) whether the Government are contemplating to determine the Rating of the fixed deposit scheme of the public sector banks;

(d) if so, the details thereof; and

(e) the time by which guidelines are likely to be issued by the Reserve Bank of India in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to

(e) Reserve Bank of India (RBI) has reported that on and from January 31, 1998 Non-Banking Financial Companies (NBFCs) having a Net Owned Fund (NOF) of twenty five lakh rupees and above cannot accept public deposits unless they obtained minimum investment grade or other specified credit rating for fixed deposits from any one of the approved credit rating agencies at least once in a year. In the event of upgrading or downgrading of credit rating to any level from the previous level, NBFCs have to inform in writing about the same to Reserve Bank within fifteen working days. However, Equipment Leasing and Hire Purchase Finance Companies having (i) NOF of Rs. 25 lakh or more; and (ii) complying with all prudential norms with CRAR of not less than 15% can accept deposit not exceeding 1.5 times of NOF or Rs. 10 crore, whichever is less, without rating.

RBI has further reported that they have not issued any instructions/guidelines to public sector banks on getting individual instruments like FDs rated by Rating Agencies.

[English]

Assistance to Maharashtra

7736. SHRI ASHOK N. MOHOL :
SHRI RAMSHETH THAKUR :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government are providing any financial assistance to the State Governments for the development and promotion of handloom industry under various centrally sponsored schemes;

(b) if so, whether in order to provide relief to handloom weavers, a New Insurance Scheme was introduced in the year 1997-98;

(c) if so, whether meagre amount has been given to the State Government of Maharashtra under this scheme so far;

(d) if so, the reasons therefor;

(e) whether the State Government of Maharashtra has also not been given any financial assistance under the another scheme called "Development of Exportable products and their Marketing Scheme"; and

(f) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANAJAYA KUMAR) : (a) and (b) Yes, Sir. The Central Government extends financial assistance to various State Governments under welfare and developmental Schemes for the benefit of handloom weavers. A scheme called the New Insurance Scheme was also introduced in the financial year 1997-98.

(c) to (f) The State Government of Maharashtra did not submit any proposal under the New Insurance Scheme or the Scheme for Development of Exportable Products and their Marketing. The question of providing financial assistance under the aforesaid schemes did not, therefore, arise.

[Translation]

**Outstanding Dues of Suppliers of
Super Bazar**

7737. SHRIMATI KAILASHO DEVI :
SHRI CHANDRESH PATEL :
SHRI G.J. JAVIYA :

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether several letters were received from the Members of Parliament asking the Super Bazar Authorities to settle the pending bills for the suppliers effected during last three years;

(b) if so, the action taken by the Government for early settlement of their dues; and

(c) the details of the suppliers of Super Bazar whose settlement claims are more than on lakh Rupees?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD) : (a) Yes, Sir.

(b) The Super Bazar was asked to settle the claims of suppliers. As informed by Super Bazar, the claims of suppliers could not be settled due to severe financial constraint.

(c) As reported by Super Bazar, the Annual Accounts for the year 2001-02 are yet to be finalized.

Therefore, the tentative details of suppliers whose dues are more than Rs. 1.00 lac as on 31.3.2001 are given at statement (Appendix-I to XVIII).

Statement

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Sl. No.	Name of Department	Amount
1.	Processing (Appendix-I)	85827048.96
2.	Toilet Deptt. (Appendix-II)	16395599.36
3.	Groceries Deptt. (Appendix-III)	40581434.39
	G & T Deptt.	
	Sub Total	142804082.71
4.	Drugs Deptt. (Appendix-IV)	26749939.52
5.	ITD Deptt. (Appendix-V)	27745253.35
6.	Stationery Deptt. (Appendix-VI)	16038381.84
7.	Household Deptt. (Appendix-VII)	15134520.39
8.	Textile deptt. (Appendix-VIII)	5058725.27
9.	Cycle Deptt. (Appendix-IX)	670503.80
10.	Sports Toys (Appendix-X)	199238.80
11.	Weights & Measurement (Appendix-XI)	1040169.37
12.	F. Food (Appendix-XII)	167618.73
13.	HMT Watches (Appendix-XIII)	188540.00
14.	RMG Deptt. (Appendix-XIV)	1969975.66
15.	Footwear Deptt. (Appendix-XV)	3268941.39
16.	Handloom Deptt. (Appendix-XVI)	7615822.92
17.	Concessionaire Deptt. (Appendix-XVII)	40597182.53
18.	Furniture Deptt. (Appendix-XVIII)	20763781.21
	Total	310012677.49

Appendix-I

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Processing Deptt.

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s.. Ashoka Flour Mills	91116.68
2.	M/s. A.A. Group of Industries	413995.49
3.	M/s. Delhi Consumers Coop. Wholesale Store Ltd.	7024578.93
4.	M/s. D.R. Distributors	114000.00
5.	M/s. Excel Cardamon Co.	1302265.70
6.	M/s. Gopi Ram Tara Chand	6249962.73
7.	M/s. Garg Super Store	539815.01
8.	M/s. Golden Flour Mills	400437.44
9.	M/s. G.K. Enterprises	4266062.19
10.	M/s. Hira Enterprises	2785852.64
11.	M/s. Indian Agro Marketing Coop. Ltd.	4453876.03
12.	M/s. Odeal Agro	206122.10
13.	M/s. Kuber Engg. Corporation	1649400.24
14.	M/s. Kusum Enterprises	331993.80
15.	M/s. Kay Pee Traders	287621.70
16.	M/s. L.T. Overseas	858920.60
17.	M/s. M.D. Enterprises	1211588.70
18.	M/s. National Agricultural Mktg. Fed.	147791.60
19.	M/s. Neel Kanth Food Products	2281391.87
20.	M/s. Nav Bharat Enterprises	532402.80
21.	M/s. NCCF	842050.00

1	2	3
22.	M/s. Om Prakash Surendeer Kumar	7621709.83
23.	M/s. Paras Traders	3281618.99
24.	M/s. R.B. Enterprises	2148575.34
25.	M/s. Redsun Tea Ltd.	4624756.44
26.	M/s. Ram Kumar Pervesh Kumar	1820995.27
27.	M/s. Summet Overseas	230498.66
28.	M/s. Surya Enterprises	7590284.85
29.	M/s. South India Trading Co.	3145829.17
30.	M/s. Simplex Paxkaging	170166.00
31.	M/s. Shudh Masala Bhandar	1301983.60
32.	M/s. Sachdeva Enterprises	104721.15
33.	M/s. Sakun Agro Pvt. Ltd.	153171.57
34.	M/s. Tirupati Food Products	5090295.81
35.	M/s. Tip Top Food Tech. India	202638.00
36.	M/s. Tirlok Chand & Sons	3399172.52
37.	M/s. Shri Vardhman Chemicals Ltd.	305994.00
38.	M/s. Venus Plymers	126309.09
39.	M/s. Vishwas Food Pvt. Ltd.	7411116.42
40.	M/s. Wellbrines Chemicals Ltd.	285914.00
Total		85827048.96

Appendix-II

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Toilet Deptt.

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s. Alemco India Ltd.	166167.80

1	2	3
2.	M/s. AVM Chemicals	127326.60
3.	M/s. Ambey Laboratories	1077639.03
4.	M/s. Bengal Chemicals & Pharma Ltd.	621863.30
5.	M/s. Balsara Hygienic Products Ltd.	139045.43
6.	M/s. Budhiraja Associates	637920.93
7.	M/s. Balsara Home Products Ltd.	104066.52
8.	M/s. Colgate Palmolive India Ltd.	146748.67
9.	M/s. Dabur India Ltd.	272708.27
10.	M/s. Diamond Laboratories India	101371.25
11.	M/s. Elegent Perfumery Works	148068.15
12.	M/s. Fena Ltd.	924407.28
13.	M/s. Foundary Chemicals India Ltd.	159565.25
14.	M/s. Godrej Soaps Ltd.	279081.30
15.	M/s. Goramal Hari Ram Ltd.	1358225.25
16.	M/s. Gopal Soaps Industries	269663.50
17.	M/s. Harkaran Das Deep Chand	831384.94
18.	M/s. Hindustan Leval Ltd.	1296172.38
19.	M/s. Henkel Spics India Ltd.	121639.21
20.	M/s. Hari Ram Gulab Rai & Sons	297891.00
21.	M/s. Jaslok Enterprises P. Ltd.	112572.00
22.	M/s. Khanna Soap Factory	876236.55
23.	M/s. Karnataka Soaps & Det. Ltd.	813949.54
24.	M/s. Moti Soaps Factory Ltd.	868030.90
25.	M/s. Metropol India Pvt. Ltd.	390845.23
26.	M/s. Nav Bharat Enterprises	135684.80
27.	M/s. Procter & Gamble India Ltd.	114237.64

1	2	3
28.	M/s. Ponds India Ltd.	256469.05
29.	M/s. RDM Traders	830515.23
30.	M/s. S.P. Enterprises	735309.31
31.	M/s. S.R. Foils Ltd.	436762.78
32.	M/s. Shyn Industries	279388.72
33.	M/s. Sun Chemicals	381000.00
34.	M/s. Swam Enterprises	568383.45
35.	M/s. Surana Agencies	215258.10
36.	M/s. The Hind Matches Ltd.	300000.00
Total		16395599.36

Appendix-III

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Groceries Deptt.

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s. Adinath Food Industries Ltd.	170161.44
2.	M/s. Ahmed Oomerbhay	501177.11
3.	M/s. Andrew Yule & Co. Ltd	264310.41
4.	M/s. Astra Agro Food P. Ltd	282310.48
5.	M/s. Bikanerwala Foods P. Ltd.	621709.18
6.	M/s. Bakeman Industries Ltd.	349672.90
7.	M/s. Bharat Trading Co.	164393.00
8.	M/s. Brooke Bond Lipton	225362.88
9.	M/s. Champa Lal Prem Chand Jain	1008816.25
10.	M/s. Cremica Food Product Ltd.	572392.56

1	2	3
11.	M/s. Corn Product Co. India Ltd.	148293.29
12.	M/s. Durga Marketing	494942.03
13.	M/s. Dabur India Ltd.	1895650.23
14.	M/s. Duncons Industries Ltd.	488666.75
15.	M/s. Dalmiya India Ltd.	190981.94
16.	M/s. God Frey Phillips India Ltd.	322483.71
17.	M/s. Goyal Oil Mills	176003.88
18.	M/s. HVOC	2535190.42
19.	M/s. Heinz India (P) Ltd.	194994.55
20.	M/s. Hindustan Level Limited	4820856.01
21.	M/s. Agro Tech Food Ltd.	566675.62
22.	M/s. J.R. Food Product	189810.81
23.	M/s. Jagatijeet Industries	101946.22
24.	M/s. K.S. Agencies (Wipro)	695982.79
25.	M/s. K.S. Consumpro India Pvt. Ltd.	1251752.00
26.	M/s. K.M. Goel Enterprises	125943.00
27.	M/s. LMJ International	109831.86
28.	M/s. Lipton India Ltd.	597277.29
29.	M/s. Makkar Brothers	137232.52
30.	M/s. Nestle India Ltd.	388075.63
31.	M/s. New Bhagat Sugar Depot	118422.84
32.	M/s. Paljee & Co.	123031.13
33.	M/s. Paljee Food (P) Ltd.	1252061.41
34.	M/s. Pan Food Ltd	1148783.44
35.	M/s. Puri Oil Mills Ltd.	2691433.02
36.	M/s. Phiray Lal Lakhpat Rai	481790.53

1	2	3
37.	M/s. Pintooji Foods (P) Ltd.	140265.40
38.	M/s. Pure Food Ltd.	359312.82
39.	M/s. Quality Bakers	777563.75
40.	M/s. Redsum Tea Ltd.	1229037.93
41.	M/s. Rama Phosphate	396740.00
42.	M/s. Smithkline Bechman Ltd.	351045.77
43.	M/s. Shri Mahila Griha Udyog Lizzat Paper	463704.13
44.	M/s. South India Coffee & Tea	15848943.00
45.	M/s. Septech Consultant Pvt. Ltd.	294529.84
46.	M/s. Sargam Enterprises	628679.15
47.	M/s. Surya Food & Agro Pvt. Ltd.	500819.16
48.	M/s. Shree Vardhman Chemicals	3425358.64
49.	M/s. Shahanshas Overseas	441163.47
50.	M/s. Sunshine Overseas Pvt. Ltd.	284442.00
51.	M/s. The Delhi Kanodia Oil Mills	200304.41
52.	M/s. The Distributors	263185.37
53.	M/s. The Haryana State Coop. Supply Mkt.	703699.04
54.	M/s. The Tamilnadu Agro Ind. Coop. Ltd.	4009037.00
55.	M/s. Tip Top Food	117456.00
56.	M/s. The Tamilnadu Tea Plantation	107460.00
57.	M/s. Tea Trading Corpn. Ltd	103527.20
58.	M/s. The Punjab Coop. Mkt. Fed Ltd.	106607.03
59.	M/s. Ushodaya Enterprises Ltd.	110587.72
Total		40581434.39

Appendix-IV

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Drugs Department

1	2	3
22.	M/s. Heinz India Ltd.	174941.10
23.	M/s. Health Care India Ltd.	902954.06
24.	M/s. Hi-tech Pharma	1528649.29
25.	M/s. Ideal Pharmaceuticals	3582298.02
26.	M/s. Impex India	466478.03
27.	M/s. Jagsanpal Pharmaceuticals	232809.37
28.	M/s. Medisphone Marketing Ltd.	155044.80
29.	M/s. National Medicare	920300.35
30.	M/s. Nun Kan Pharma	636208.00
31.	M/s. Oriental Surgicals	185298.09
32.	M/s. Pharmasurg Corp.	326298.09
33.	M/s. Pfizer Ltd.	143124.00
34.	M/s. PDPL	300456.04
35.	M/s. Prochem India Ltd.	493549.23
36.	M/s. Ranbaxy	542012.19
37.	M/s. Ruchi Network	639694.40
38.	M/s. Ratan Lal & Co.	543433.40
39.	M/s. Seven Seas Enterprises	350931.00
40.	M/s. Shalaks Chemicals	142137.67
41.	M/s. S.S. Drugs & Surgicals	617501.89
42.	M/s. S.V. & Co.	1469894.14
43.	M/s. Sachdeva Stores	405497.66
44.	M/s. South Delhi Medicos	162573.14 (574.00)
45.	M/s. Seven Seas Pharmaceuticals	488874.57
46.	M/s. The Chemist Inn	809505.00

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s. Alembic Chemicals	270752.03
2.	M/s. Arora Pharmaceuticals	149323.66
3.	M/s. Amar H/o	174604.59
4.	M/s. Albine Industries	792099.46
5.	M/s. A.A. Pharma	341564.73
6.	M/s. Bharat Agencies	1400639.55
7.	M/s. British Medical Store	218175.88
8.	M/s. Bansi Enterprises	117864.60
9.	M/s. Bajaj Sales Corp.	148736.92
10.	M/s. Beechem Drugs India Ltd.	111410.32
11.	M/s. Brawn Laboratories	732322.73
12.	M/s. Beeton Dickinson	139109.22
13.	M/s. Dabur India	117690.81
14.	M/s. Delhi Pharma	1075798.44
15.	M/s. D.J.S. Distributors	578656.16
16.	M/s. Diagnostics Services	393989.31
17.	M/s. Elder Pharmaceuticals	301528.92
18.	M/s. Embee Diagnostics	693022.09
19.	M/s. Faith Pharmaceuticals	335527.13
20.	M/s. Glaxo India Ltd.	1334134.82
21.	M/s. Indus Pharma	396241.82

1	2	3
47.	M/s. Tara Lohia Distributors	150316.00
48.	M/s. Uni-Agencies	555392.49
	Total	26749939.52

Appendix-V

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

ITD Department

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s. Associated Business Computer Ltd.	961701.35
2.	M/s. A.V. Science & Tech. P. Ltd.	468180.00
3.	M/s. BVIPS System Pvt. Ltd.	155148.90
4.	M/s. Cyber Power System	1989922.23
5.	M/s. Global Computers Network	196323.70
6.	M/s. Godrej & Boycee Mktg. Co.	1172460.05
7.	M/s. Hearwell Electronic P. Ltd.	429566.30
8.	M/s. Hi-tech Accurate Comm. P. Ltd.	586636.70
9.	M/s. H-tech Services	322778.60
10.	M/s. Imagiline Infotech Ltd.	966424.57
11.	M/s. K.S.B. Computers Mart	5779888.40
12.	M/s. Microchip Infotech	1245972.62
13.	M/s. Magnostar Telecom P. Ltd.	2833900.00
14.	M/s. Microsense Pvt. Ltd.	144542.72
15.	M/s. Professional Business P. Ltd.	142638.27
16.	M/s. Pushkar Electronics P. Ltd.	3121963.29

1	2	3
17.	M/s. Powertech Products (I) Ltd.	220807.50
18.	M/s. PCL Computers	209774.17
19.	M/s. Singhal International	1621914.93
20.	M/s. Shree Mahavir Enterprises	890139.00
21.	M/s. Sukam Comm. System	114768.00
22.	M/s. Savi Vision Pvt. Ltd.	319474.15
23.	M/s. Span System	323747.90
24.	M/s. Sanbro Power Control System	161252.35
25.	M/s. Solid State Computer P. Ltd.	3365327.65
	Total	27745253.35

Appendix-VI

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs one lac as on 31.3.2001 (subject to reconciliation and audit)

Books & Stationery Department

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s. Aggarwal Sales Agency	105019.85
2.	M/s. A-One Enterprises	139472.40
3.	M/s. Apex India Inc.	105201.70
4.	M/s. Associated Business Computer	423963.20
5.	M/s. BCR Stationary Division	614175.80
6.	M/s. Capital Stationary Prints	119432.50
7.	M/s. Delhi Paper Products Co. (P) Ltd.	563882.17
8.	M/s. Eastern Telecon Ltd.	111690.00
9.	M/s. Gateway Papers (P) Ltd.	640294.00
10.	M/s. Gastener (I)	247589.28

1	2	3
11.	M/s. Gateway Paper (P) Ltd.	1297591.00
12.	M/s. Graphic (I)	161100.00
13.	M/s. Goyal Stationer	188245.00
14.	M/s. Haryana Traders (P) Ltd.	663274.22
15.	M/s. Hi-Tech Engineering India Ltd.	237680.00
16.	M/s. Kohli & Co. (Regd.)	200891.83
17.	M/s. K.B. Industries (Regd.)	389348.51
18.	M/s. Kores (India) Ltd.	204945.50
19.	M/s. Kohinoor Chemical Works	109138.76
20.	M/s. Kharabanda Paper Ltd.	192678.00
21.	M/s. Luxor Writing Instruments Ltd.	169007.00
22.	M/s. Maser Bear (I) Ltd.	267453.90
23.	M/s. Multiform International	136976.00
24.	M/s. Mradu Overseas (P) Ltd.	63878.10
25.	M/s. Nahar Petro Chem. Inc.	505030.65
26.	M/s. National Prints & Sales	691494.23
27.	M/s. Neelam Paper Agency	1034464.55
28.	M/s. Peekay Paper Enterprises	719698.75
29.	M/s. Pansy Marketing Agency	156977.25
30.	M/s. Reliance Marketing	154364.45
31.	M/s. R.K. Enterprises	409106.27
32.	M/s. Ruchi Enterprises	500691.80
33.	M/s. Sanchi & Co.	148488.70
34.	M/s. Saurabh Sales	265246.70
35.	M/s. Shree Chakradhar Enterprises	261615.60
36.	M/s. Taneja Sales Corp.	151001.41

1	2	3
37.	M/s. Team Office Suppliers	318197.64
38.	M/s. Usha Fertilizers Co. Ltd.	521387.50
39.	M/s. Lerop Modi Corp. Ltd.	2272821.42
Total		16038381.84

Appendix-VII

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Household Department

Sl.No.	Particulars	Amount (Cr.)
1	2	3
1.	M/s. Aggarwal Electronics	67311.56
2.	M/s. Apex India Inc.	181137.75
3.	M/s. Bright Brothers	525625.03
4.	M/s. Bharat Lock House	315037.80
5.	M/s. Bakshi Trading Corp. (I)	585182.81
6.	M/s. Birla Electricals	448680.00
7.	M/s. Capital Crockery	488160.68
8.	M/s. Command Electricals	284845.28
9.	M/s. Fairdeal Distributors	304100.34
10.	M/s. Federal Agencies	135675.56
11.	M/s. Frac Power Motors	217697.51
12.	M/s. Freeton Cables (I)	180532.22
13.	M/s. Glamour Electricals	634397.37
14.	M/s. Geep Industrials Syn. Ltd	114480.91
15.	M/s. G.S.C. Elec (P) Ltd.	402591.11
16.	M/s. Ismail Beg Trunk Mfg. Co.	942825.00
17.	M/s. Jagdamba Mfg. & Trd. Co.	548110.80

1	2	3
18.	M/s. K.S. Agencies	112770.55
19.	M/s. Mohit Enterprises	255586.23
20.	M/s. Mitra Udyog	1874931.35
21.	M/s. O.K. Industries	112251.20
22.	M/s. Orient Fans	110590.32
23.	M/s. Flasmech Power System Pvt. Ltd.	263114.20
24.	M/s. Plaze Cable Elect. (P) Ltd.	325121.23
25.	M/s. Polor International Ltd.	408291.50
26.	M/s. Remsons Appliances	1065798.99
27.	M/s. S.K. Nath & Sons	1411237.60
28.	M/s. Singhanian & Associates	354498.00
29.	M/s. Surana Agencies	254216.30
30.	M/s. Sindwal Ref. Industries	203373.48
31.	M/s. Tiger (I) Ltd.	480716.90
32.	M/s. Unico Trading & Finance	181115.56
33.	M/s. Vision (I) Co.	518115.25
34.	M/s. Vinayak Equipments Ltd.	220000.00
Total		15134520.39

Appendix-VIII

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Textile Department

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s. Bhara Textile Industries	353571.70

1	2	3
2.	M/s. Basement Collections	142563.42
3.	M/s. Gupta Textile	904496.26
4.	M/s. Juneja Agencies	134453.00
5.	M/s. Kahan Chand Surender Pal	158034.76
6.	M/s. Kudes Enterprises	672809.58
7.	M/s. NCCF of India Ltd.	2315036.15
8.	M/s. Shrinivas Prints	117875.40
9.	M/s. Tara Chand Sahni	259885.00
Total		50,58,725.27

Appendix-IX

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Cycle Department

Sl.No.	Name of the Party	Amount
1.	M/s. Ceat Ltd.	351205.80
2.	M/s. Siyaram Bros	319298.00
Total		670503.80

Appendix-X

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Sports Toys

Sl.No.	Name of the Party	Amount
1.	M/s. Sports Land	199238.80
Total		199238.80

Appendix-XI

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Weight & Measurement

Sl.No.	Name of the Party	Amount
1.	M/s. Awashkta Cons. Coop Store Ltd.	552130.87
2.	M/s. Avery India Ltd.	148129.50
3.	M/s. Antartika Mkt (P) Ltd.	319809.00
Total		1040169.37

Appendix-XII

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

F. Food Department

Sl.No.	Name of the Party	Amount
1.	M/s. Gujrat Coop Milk Mkt. Food. Ltd.	167618.73
Total		167618.73

Appendix-XIII

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

HMT Deptt.

Sl.No.	Name of the Party	Amount
1.	M/s. Phonix Times	188540.00
Total		188540.00

Appendix-XIV

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

RMG Department

Sl.No.	Name of the Party	Amount
1.	M/s. Indian Equipment Traders	1281076.50
2.	M/s. Rachna Enterprises	411715.63
3.	M/s. Raja Attache House	362260.00
4.	M/s. Vij Hosery Works	1067923.53
Total		1969975.66

Appendix-XV

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Footwear Department

Sl.No.	Name of the Party	Amount
1.	M/s. Aristocrat Mkt. Ltd.	210259.25
2.	M/s. Blow Plast Ltd.	368267.05
3.	M/s. Charm kala A.S.S. Ltd.	362524.00
4.	M/s. Four-D International Ltd.	654453.95
5.	M/s. Nova Fottwear	1673437.11
Total		3268941.39

Note : The above Figure are subject to audit and reconciliation with suppliers.

Appendix-XVI

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Handloom Department

Sl.No.	Name of the Party	Amount
1	2	3
1.	M/s. Amar Udyog	192188.45

1	2	3
2.	M/s. Arvind Fabrics	176643.26
3.	M/s. Bharat Enterprises	458592.60
4.	M/s. D.D. Amarnath	330687.25
5.	M/s. D.L. Goind Prashad	854880.56
6.	M/s. Goel Handloom Ind.	1713109.60
7.	M/s. Gupta Sales Corpn.	194714.17
8.	M/s. Hath-kargha Coop. Ind.	107945.10
9.	M/s. Krishna Handloom Factory	1234561.80
10.	M/s. Shaily Enterprises	922675.20
11.	M/s. The Panipart Prem H/L Prod. Coop. Ind. Society Ltd.	456657.43
12.	M/s. Tara Chand Shani & Sons	973167.50
Total		7615822.92

Appendix-XVII

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Concessionaire Department

Sl.No.	Particulars	Credit Balance
1.	M/s. Computer Super Store	38587205.10
2.	M/s. Godwin Enterprises	257133.27
3.	M/s. Kycee Business	116533.48
4.	M/s. Image Matriy	206190.30
5.	M/s. Mohana Kr. & Co.	390456.53
6.	M/s. M.P. Saree	138646.47
7.	M/s. T.V. Philips	705226.72
8.	M/s. N.T.C.	195781.66
Total		40597182.53

Appendix-XVIII

Details of suppliers of Super Bazar, Delhi whose dues are more than Rs. one lac as on 31.3.2001 (subject to reconciliation and audit)

Furniture Department

Sl.No.	Name of the Supplier	Amount
1.	M/s. Kalsi Furniture & Plywood	4854.26
2.	M/s. Mex Furniture & Interior Decorators	8712.04
3.	M/s. Sudershan Enterprises	127828.24
4.	M/s. Goderej & Boyce Mfg. Co. Ltd.	1094602.17
5.	M/s. Newage Industries	1467021.49
6.	M/s. Modex Business Systems	1618973.42
7.	M/s. Vetern Industries (India)	1410473.18
8.	M/s. Indian Steel Industries	337556.90
9.	M/s. Hans Industries (Regd.)	190331.63
10.	M/s. Royal Safe Co.	2260583.09
11.	M/s. Premier Furnishing Co.	1430672.78
12.	M/s. Indian Safe Factory	417787.96
13.	M/s. Delite Hi Tech Furniture Industries (P) Ltd.	2540075.95
14.	M/s. Delite Kom Ltd.	784641.59
15.	M/s. Appolo Furnishers	476967.49
16.	M/s. Beksons Enterprises	854059.70
17.	M/s. Recordex Systems	972832.88
18.	M/s. Sarvodaya Furnishers	2683509.10
19.	M/s. Balka Furniture	463946.23
20.	M/s. Anand Steel Fabricators	904251.11
Total		

[English]

Purchase of Stationery

7738. SHRI RAMJEE MANJHI : Will the Minister of FINANCE be pleased to state :

(a) whether there is no provision in the general financial rules according to which the Government offices can be compelled to make purchases of Stationery and other items from a particular organisation or so;

(b) if so, the details thereof;

(c) whether the Government are also aware that many Government offices are not following the DoP&T OM dated July, 14, 1981 and are purchasing the items directly through quotations or calling tenders like the Expenditure Department of the Ministry;

(d) if so, the reasons for all the Government offices not following those orders;

(e) whether there is any proposal to make it obligatory on Government offices to follow strictly the provisions of the GFR with immediate effect;

(f) if so, whether the same situation still continue as the one when the exemption of GFR was issued on July, 14, 1981; and

(g) if not, the reasons for the delay in withdrawing that exemption forthwith?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (g) With a view to promote cooperative movement, Department of Personnel and Training (DOP&T) in consultation with this Ministry had issued an Order dated 14.7.1981 which made it incumbent on all Central Government Departments, their attached and subordinate offices and other organisations financed and/or controlled by Government to make all local purchases of stationery and other items only from Kendriya Bhandar in relaxation of the procedure of inviting tenders/quotations prescribed in GFRs. Similar concessions were subsequently extended to Super Bazar in 1987 and to NCCF in 1994 by DOP&T without consulting Ministry of Finance.

However, keeping in view the ongoing policy of liberalisation of the economy and the emphasis on making Govt. organisations competitive and self-striving, the question of reviewing the existing special dispensation given to Kendriya Bhandar, Super Bazar and NCCF and instead following the provisions of GFRs has been under active consideration and the DOP&T was requested to review their O.M. dated 14.7.1981 and adopt the provisions of GFRs, with suitable safeguards for protecting the interest of the three cooperatives.

Keeping in tune with the decisions taken by this Ministry, Deptt. of Expenditure has invited open tenders for the purchase of stationery items by way of public advertisements released in two dailies on 17.3.2002.

Anti Dumping Duties on Silico-Manganese by USA

7739. SHRI C. SREENIVASAN :
SHRI AMBAREESHA :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the total export of silico-manganese from India to USA during 2000-2001 and 2001-2002;

(b) whether USA has recently imposed anti-dumping duties against our export of silico-manganese;

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

(d) the total losses which are going to be incurred by Indian exporters of silico-manganese due to this anti-dumping duties; and

(e) the retaliatory action the Government has taken against the USA action?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) The total export of silico-manganese from India to USA during 2000-2001 and 2001-2002 is as follows :

Year	Qty. (In Kgs)	Value (In Rs. Lakhs)
2001-01	4,73,16,431	9262.46
2001-02 (Apr. 2001- Dec. 2002)	1,02,35,868	1884.05

(b) and (c) Yes, Sir. In view of the petition filed by the US domestic industry on 6th April, 2001 (by Eramet Marietta Inc., Marietta, and the Paper, allied-Industrial, Chemical and Energy Workers International Union), the US Department of Commerce, vide its notification dated 26th April, 2001 intimated the initiation of Anti-dumping investigation against import of the subject item from India (other countries are Kazakhstan and Venezuela) to determine whether there is a reasonable indication that an industry in the US is materially injured or threatened with material injury, by reason of imports from India. The Petitioners have identified four Indian producers who are stated to have exported silico-manganese to the USA. The US authorities have, in March, 2002, announced the final affirmative determination in the Anti-dumping investigation on silico-manganese imports from India. Anti-dumping margins imposed on India are as follows :

(i)	Nava Bharat Ferro Alloys Ltd.	20.42%
(ii)	Universal Ferro and Allied Chemicals Ltd.	15.32%
(iii)	All others	17.69%

(d) The export of silico-manganese from India will be affected adversely. However, it is too early to make a quantitative estimates the extent of the impact of the anti-dumping duty imposed on India's exports.

(e) Under WTO provisions, the Anti-dumping investigation/measure is considered only when the exports are made at less than the normal value of the products and causes or threatens to cause material injury to an established domestic industry of the importing country. The Government of the exporting country has little role to play. Government of India has, however, been extending all possible help deemed necessary to the Indian exporters in all such cases.

Financial Assistance Given to Farmers

7740. SHRI AMBAREESHA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Union Government have any proposal to extend financial assistance to the farmers of our country instead of buying their cereals;

(b) if so, the details thereof;

(c) whether the present policy of buying the cereals from farmers have some inherent defects;

(d) whether only few States have been benefited from the present policy; and

(e) if so, the steps proposed to be taken by the Government to benefit the farmers of all the States uniformly?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) and (b) No, Sir. No concrete proposal in this regard in under consideration of the Government.

(c) to (e) Due to attractive Minimum Support Prices, the present system of open ended procurement has led to the accumulation of huge stocks in the Central Pool. This has increased the food subsidy bill due to high levels of carrying costs.

The present system of procurement works the best in the States where there is adequate infrastructure in the form of regulated markets and where the farmers have sufficient marketable surplus. The policy of Minimum Support Prices and procurement of Fair Average Quality standard of foodgrains is being implemented with the help of the State Governments uniformly in all States which have potential for procurement.

Letters of Credit of NRSA

7741. SHRI SATYANARAYANA BOTCHA : Will the Minister of FINANCE be pleased to state :

(a) whether the Controller of National Remote Sensing Agency (NRSA) opened Letters of Credit (LoCs) in a private bank;

(b) if so, whether it is against the guidelines of Reserve Bank of India;

(c) if so, whether the Government have examined this issue;

(d) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (e) The information is being collected and to the extent available will be laid on the Table of the House.

[Translation]

**Nomination for Directors of
Bank of Baroda**

7742. DR. BALIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether the Bank of Baroda has sent a letter to the Ministry of Personnel, Public Grievances and Pensions regarding nomination of the President of All India Bank of Baroda Officers Association to the Board of Directors whereas a case is already pending in the Mumbai High Court in this regard;

(b) whether the Government could take a decision in the case when the same is already *sub-judice*;

(c) if not, the reasons for overlooking the court in the above case; and

(d) the steps taken by the Government to put the above case on hold till the verdict of the Court?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (d) Bank of Baroda has reported that presently no Union or Association or any individual has filed any case against appointment of Directors on the board of Bank of Baroda. As such, no case relating to Bank of Baroda is pending in the Bombay High Court in this regard. However, a Writ Petition No. 5394/2001 filed by Bank of Maharashtra Officers' Association is pending in the Bombay High Court challenging the III Schedule of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970/1980. Government have appointed officer nominated director on the Board of Bank of Baroda in accordance with Section 9 of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980 read with the Nationalised Banks (Management and Miscellaneous Provisions) Scheme 1970/1980. The order of appointment

is subject to the decision of Bombay High Court in the above Writ Petition.

Smuggling of Goods from China

7743. SHRI RAVI PRAKASH VERMA : Will the Minister of FINANCE be pleased to state :

(a) whether the Indian domestic markets are flooded with smuggled Chinese goods;

(b) if so, the details thereof;

(c) whether the Government have received complaints about large scale smuggling of goods from China to India;

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

(e) the steps being taken by the Government to check the smuggling from China border and thus to save the Indian domestic markets?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

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

(c) No, Sir.

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

(e) All field formations of the Customs Department including Directorate of Revenue Intelligence are alert and vigilant to check smuggling of contraband goods from China border and thus to save the Indian domestic markets.

**Discrimination of VRS Payment
under PSUs**

7744. SHRI CHANDRESH PATEL :
SHRI BASU DEB ACHARIA :
SHRI MAHBOOB ZAHEDI :

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether Bum Standard Company Limited offered VRS with basic pay and DA with no other allowances as benefit;

(b) whether the salary/wage for VRS under both the options are calculated on the basis of 30 days in a month and not 26 days;

(c) whether National Textile Corporation offered salary for purpose of VRS to consist basic pay and DA and HRA;

(d) whether VRS compensation is calculated in NTC as 26 days a month; and

(e) if so, the reasons for discrimination made in PSUs under/different Ministries on VRS calculation?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) and (b) Yes, Sir. In the Burn Standard Co. Ltd. (BSCL) the salary/wages for VRS under both the options are calculated on the basis of 30 days a month not 26 days and VRS offered with basic pay and DA and no other allowances.

(c) to (e) The Voluntary Retirement Scheme (VRS) applicable to unviable units of National Textiles Corporation (NTC) is based on DPE's Scheme dated 5.5.2000 duly modified in terms of para 3 of the circular. Accordingly salary for the purpose of calculation of ex-gratia in respect of employees of NTC Mills includes Pay, DA & HRA and the compensation is calculated on the basis of 30 working days a month.

Shortage of Kisan Vikas Patra

7745. SHRI SHANKERSINH VAGHELA : Will the Minister of FINANCE be pleased to state :

(a) whether some State Governments including Gujarat are facing acute shortage of Kisan Vikas Patra, National Savings Certificates and other stationery articles;

(b) if so, the names of the States which have represented to the Union Government for immediate supply of these articles;

(c) whether the Union Government have issued suitable instructions to the concerned authorities for immediate printing and supply of such certificates; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The State Governments of Bihar, Gujarat, Jharkhand, Punjab and Uttar Pradesh have requested for additional supply of small savings' instruments and other stationery items in their States.

(c) and (d) The Central Government have initiated suitable measures to ensure adequate supply of the small savings' instruments and other stationery items. India Security Press, Nasik has installed new machinery to meet the requirements of these instruments.

Sanitary Standards

7746. SHRI Y.V. RAO : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether SAARC proposes to set up a core group on sanitary and phytosanitary standards; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) and (b) Yes, Sir. It was agreed in the second meeting of the SAARC Standing Group on Standards, Quality Control and Measurement held in New Delhi during February 2002 to set up a Core Group to be chaired by India. The Core Group Chairmanship would be on rotation, starting with Nepal. The recommendations of the group would be presented to the Standing Group to the SAARC Committee on Economic Cooperation.

VRS opted by Workers of PSUs

7747. SHRI PRIYA RANJAN DASMUNSI :
SHRI GEORGE EDEN :

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether the Government have prepared any upto date data pertaining to the organized sector work force in the Public Sector Undertakings who took VRS between 1 January, 1999 and 31st January, 2002 due to closure, retrenchment or disinvestment;

(b) if so, the details thereof, PSU-wise, year-wise;
and

(c) the amount incurred thereon, PSU wise?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) to (c) Monthwise details of VRS optees in central PSUs are not maintained centrally. During financial years 1999-2000 and 2000-

2001, for which period information is available, 43760 and 45625 employees in central PSUs opted for VRS as per offer of the management for manpower rationalization. Amount spent for payment of VR compensation was Rs. 1561 and Rs. 2001 crore respectively. Enterprise-wise details are in enclosed statement. The V.R.S was offered to the employees by the management in pursuit of rightsizing the staff strength of the enterprises.

Statement

No. of employees opted for VRS and amount spent on VRS in PSUs during 1999-2000 and 2000-2001

Sl. No.	Name of the PSU	Amount spent of VRS (Rs. in crores)		No. of employees opted VRS	
		1999-2000	2000-2001	1999-2000	2000-2001
1	2	3	4	5	6
1.	National Seeds Corpn. Ltd.	030.	1.52	9	32
2.	State Farms Corporations	—	11.80	—	359
3.	North Eastern Regional Agricultural Marketing Corporation	0.38	0.03	18	1
4.	Bengal Chemicals and Pharmaceuticals Ltd.	3.26	2.92	63	65
5.	Bengal Immunity Ltd.	0.58	—	16	—
6.	Hindustan Antibiotics Ltd.	4.44	0.74	101	32
7.	Hindustan Insecticides Ltd.	2.02	—	71	—
8.	Hindustan Organic Chemicals Ltd.	—	8.04	55	—
9.	Indian Petro Chemicals Corpn. Ltd.	2.23	—	61	—
10.	Karnataka Antibiotics & Pharmaceuticals Ltd.	0.14	0.25	7	9
11.	Smith Stanistreet & Pharmaceuticals Ltd.	0.53	0.02	22	2
12.	Fertilizer Corpn. of India Ltd.	1.25	0.44	27	25
13.	Fertilizers & Chemicals (Travancore) Ltd.	0.72	0.10	21	5
14.	Hindustan Fertilizer Corpn. Ltd.	3.30	0.57	108	9
15.	Madras Fertilizers Ltd.	5.98	0.46	142	9

1	2	3	4	5	6
16.	Projects & Development India Ltd.	2.42	—	19	—
17.	Pyrites, Phosphates & Chemicals Ltd.	7.99	2.53	277	80
18.	Hotel Corporation of India	2.42	—	90	—
19.	MMTC Ltd.	8.51	30.00	96	355
20.	PEC Ltd.	—	1.48	—	18
21.	State Trading Corpn. of India Ltd.	2.90	52.37	34	314
22.	HTL Ltd.	0.64	—	19	—
23.	ITI Ltd.	11.41	20.62	333	537
24.	Hindustan Vegetable Oils Corpn. Ltd.	1.01	1.99	24	1277
25.	Bharat Dynamics Ltd.	0.68	4.93	16	86
26.	Bharat Earth Movers Ltd.	15.51	30.50	370	578
27.	Bharat Electronics Ltd.	42.70	13.02	927	318
28.	Garden Reach Shipbuilders & Engineers Ltd.	2.91	—	157	—
29.	Hindustan Aeronautics Ltd.	5.14	21.50	241	1115
30.	Mishra Dhatu Nigam Ltd.	—	2.12	—	56
31.	Vignyan Industries Ltd.	0.18	0.11	5	5
32.	Hindustan Latex Ltd.	3.47	—	83	—
33.	Andrew Yule & Company Ltd.	1.34	—	41	—
34.	Bharat Brakes & Valves Ltd.	—	5.43	10	143
35.	Bharat Heavy Electricals Ltd.	289.28	144.00	8274	600
36.	Bharat Heavy Plate & Vessels Ltd.	—	23.11	110	671
37.	Bharat Leather Corpn. Ltd.	0.34	0.35	9	9
38.	Bharat Process & Mechanical Engineers Ltd.	—	1.70	—	57
39.	Bharat Pumps & Compressors Ltd.	1.25	3.00	19	80
40.	Bharat Wagon & Engineering Co. Ltd.	—	3.00	—	142
41.	Bridge & Roof Co. (India) Ltd.	—	—	31	74

1	2	3	4	5	6
42.	Burn Standard Company Ltd.	26.65	18.34	858	1116
43.	Cement Corpn. of India Ltd.	3.19	1.63	135	57
44.	Engineering Projects (India) Ltd.	0.05	0.62	—	9
45.	Heavy Engineering Corpn. Ltd.	7.50	31.75	161	514
46.	Hindustan Cables Ltd.	35.00	58.77	385	1012
47.	Hindustan Newsprint Ltd.	0.54	0.77	27	20
48.	Hindustan Paper Corporation Ltd.	0.07	0.08	3	3
49.	Hindustan Photo Films Manufacturing Corpn. Ltd.	2.69	21.54	76	343
50.	Hindustan Salts Ltd.	0.09	2.31	24	138
51.	HMT Bearings Ltd.	0.39	1.34	11	28
52.	HMT Ltd.	50.41	224.21	900	3901
53.	Hooghly Printing Co. Ltd.	0.13	—	5	—
54.	Instrumentation Ltd.	22.50	20.20	362	244
55.	Jessop & Co. Ltd.	—	34.64	1	1242
56.	Mandya National Paper Mills Ltd.	—	14.07	—	650
57.	Mining & Allied Machinery Corpn. Ltd.	79.98	46.78	331	528
58.	National Bicycle Corporation of India Ltd.	6.04	8.54	253	311
59.	National Industrial Dev. Corpn. Ltd.	7.12	—	77	—
60.	National Instruments Ltd.	2.75	2.60	58	29
61.	NEPA Ltd.	6.52	4.23	448	174
62.	Praga Tools Ltd.	5.23	6.10	146	124
63.	RBL Ltd.	—	6.37	11	190
64.	Rajasthan Electronics & Instruments Ltd.	—	0.02	—	1
65.	Richardson & Cruddas (1972) Ltd.	—	21.02	165	388
66.	Sambhar Salts Ltd.	1.42	0.33	46	1
67.	Scooters India Ltd.	0.27	0.51	15	13

1	2	3	4	5	6
68.	Triveni Structurals Ltd.	0.72	27.67	—	360
69.	Tungabhadra Steel Products Ltd.	—	5.00	—	106
70.	Tyre Corporation of India Ltd.	1.19	8.17	21	172
71.	Weighbird (India) Ltd.	—	4.65	—	124
72.	National Film Dev. Corpn. Ltd.	0.04	1.17	2	26
73.	C.M.C. Ltd.	0.02	0.03	1	2
74.	Electronics Trade & Technology Dev. Corpn. Ltd.	0.10	0.44	4	15
75.	Bharat Gold Mines Ltd.	0.87	17.90	838	636
76.	Hindustan Copper Ltd.	140.00	60.00	2344	1455
77.	Hindustan Zinc Ltd.	19.96	38.19	463	770
78.	Mineral Exploration Corpn. Ltd.	2.50	9.30	172	319
79.	National Aluminium Company Ltd.	0.04	0.26	2	6
80.	Balmer Lawrie & Co. Ltd.	27.31	1.78	543	124
81.	Biecco Lawrie Ltd.	1.16	1.50	43	60
82.	Engineers India Ltd.	0.14	5.23	3	71
83.	I.B.P. Co. Ltd.	4.68	—	107	—
84.	Indian Oil Corporation Ltd.	6.60	141.02	162	1457
85.	Oil & Natural Gas Corporation Ltd.	110.48	—	1342	—
86.	Oil India Ltd.	0.09	7.51	2	120
87.	ONGC Videsh Ltd.	0.20	—	2	—
88.	National Hydro Electric Power Corpn. Ltd.	3.05	—	78	230
89.	National Thermal Power Corporation Ltd.	3.98	1.06	116	45
90.	IRCON International Ltd.	3.38	0.70	200	32
91.	Central Electronics Ltd.	0.17	0.42	2	7
92.	National Small Scale Industries Corpn. Ltd.	0.42	0.68	12	23
93.	Bharat Refractories Ltd.	5.11	4.62	195	154

1	2	3	4	5	6
94.	Kudremukh Iron Ore Co. Ltd.	0.88	3.43	21	74
95.	Manganese Ore (India) Ltd.	4.86	1.82	197	84
96.	Metallurgical & Engg. Consultants (India) Ltd.	6.22	6.48	119	158
97.	National Mineral Development Corporation Ltd.	0.11	9.30	16	207
98.	Sponge Iron India Ltd.	3.14	1.12	106	52
99.	Central Inland Water Transport Corpn. Ltd.	3.80	6.77	146	238
100.	Cochin Shipyard Ltd.	—	5.19	—	91
101.	Dredging Corpn. of India Ltd.	—	5.70	—	119
102.	Hindustan Shipyard Ltd.	11.01	2.00	284	48
103.	Hooghly Dock and Port Engineers Ltd.	1.10	2.50	63	84
104.	Indian Road Construction Corpn. Ltd.	0.13	3.60	3	103
105.	British India Corporation Ltd.	5.98	2.72	501	190
106.	Central Cottage Industries Corpn. of India Ltd.	1.93	0.56	42	11
107.	Elgin Mills Company Ltd.	1.85	—	119	—
108.	Handicrafts & Handlooms Exports Corp. India Ltd.	2.49	1.77	41	17
109.	Jute Corpn. of India Ltd.	0.60	0.86	14	27
110.	National Jute Manufacturers Corporation Ltd.	3.24	0.11	149	6
111.	North Eastern Handicrafts & Handloom Dev. Corp. Ltd.	0.01	0.08	1	5
112.	Hindustan Prefab Ltd.	0.80	1.49	28	61
113.	National Bldg. Constrn. Corpn. Ltd.	4.02	2.55	88	49
114.	National Projects Construction Corpn. Ltd.	10.37	9.77	210	261
115.	Electronics Corpn. of India Ltd.	7.11	22.32	146	397
116.	Chennai Petroleum Corpn. Ltd.	—	3.3	—	38
117.	India Oil Blending Ltd.	0.25	0.12	7	2
118. to 126.	Coal India Ltd. And (8 Subsidiary Companies)	328.69	263.53	11634	7854
127.	Neyveli Lignite Corporation Ltd.	10.13	39.07	363	1180

1	2	3	4	5	6
128.	Tea Trading Corporation of India Ltd.	2.71	4.60	16	119
129.	Mazagon Dock Ltd.	8.53	49.91	239	1007
130.	Bharat Ophthalmic Glass Ltd.	13.80	2.97	214	40
131.	Cycle Corporation of India Ltd.	15.50	0.74	598	31
132.	HMT (International) Ltd.	0.61	—	6	—
133.	Rehabilitation Industries Corpn.	4.11	8.98	27	242
134.	Tannery & Footwear Corporation Ltd.	10.51	0.89	461	43
135.	Bharat Aluminium Co. Ltd.	4.44	25.87	165	572
136.	Hindustan Steel Works Construction Ltd.	—	230.63	—	6134
137.	Indian Iron & Steel Co. Ltd.	5.00	—	380	133
138. to 147.	National Textiles Corporation Ltd. (including subsidiaries) 1+9	71.12	27.85	4298	1535
Total		1561.03	2001.32	43760	45625

Additional Funds for States

7748. PROF. UMMAREDDY VENKATESWARLU : Will the Minister of FINANCE be pleased to state :

(a) whether in the Ninth Five Year Plan, projected borrowings for States were about Rs. 1,82,075 crores;

(b) if so, whether the States within the first three years have borrowed about Rs. 1,61,000 crores;

(c) if so, the total borrowings by States during the Ninth Five Year Plan;

(d) the steps taken to monitor such excessive borrowings;

(e) whether additional plan assistance will be given to States doing good work in implementation of plan; and

(f) if so, the details of additional assistance to States in the Ninth Plan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Yes, Sir.

(c) Total borrowings by States during Ninth Five Year Plan period are estimated at Rs. 2,92,812 crores according to the Planning Commission.

(d) Subsequent to the recommendations of the Eleventh Finance Commission (EFC), the Ministry of Finance has drawn up a scheme called the State's Fiscal Reforms' facility which aims at fiscal consolidation. The prudential limits of debt are decided within the Medium Term Fiscal Reforms Programme (MTFRP) evolved by the State Governments.

(e) and (f) Additional Central assistance is decided by the Planning Commission in consultation with the State Governments.

Setting-up of Two Wheeler Automobile

7749. SHRI P.D. ELANGO VAN : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether the Government have planned to start new two wheelers automobile industries in the States such as Tamil Nadu, Andhra Pradesh and Karnataka;

(b) if so, details thereof;

(c) whether the Government have fixed any standard norms and criteria for the States to give required permission and land to start new two wheelers automobile industries;

(d) if so, the details thereof; and

(e) the two wheelers automobile industries functioning at present in Tamil Nadu and their performance during the last three years i.e. production and sale, in terms of numbers and value?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) to (d) The automobile Industry is a de-licensed industry and as such, entrepreneurs are free to set up manufacturing units in whichever state they choose. No specific norms or criteria have been laid down for the States and they are free to provide facilities/concessions on their own.

(e) As per information received from Society for indian Automobile Manufacturers (SIAM), M/s TVS Motor Company Limited and M/s Royal Enfield Motors are the two wheelers industries functioning at present in Tamil Nadu. The performance details are given Below:-

(Value Rs. in Crores)

Name of the manufacturer	Production (in Numbers)			Domestic Sales					
	1999-2000	2000-01	2001-02	1999-2000		2000-01		2001-02	
				No.	Value	No.	Value	No.	Value
TVS Motor Company Ltd.									
Scooters	131862	139755	146421	126575	379	142063	426	143154	429
Motor Cycles	325319	358024	455224	323181	1517	351483	1650	447279	2100
Mopeds	381301	369645	270927	378740	769	363275	737	267387	543
Total	838482	867424	872572	828496	2665	856821	2813	857820	3072
Royal Enfield Motors									
Motor Cycles	23278	21432	24136	24175	155	20819	133	22769	146

Bungling in Cement Corporation of India

7750. SHRI ADHI SANKAR :
KUMARI BHAVANA PUNDLIKRAO GAWALI :
SHRI HARIBHAU SHANKAR MAHALE :

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether there is bungling to the tune of crores of rupees in Cement Corporation of India;

(b) if so the details thereof;

(c) the names of persons involved in this bungling;

(d) whether any inquiry has been conducted against them; and

(e) if so, the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) to (e) Certain complaints

have been received against the management of Cement Corporation of India Limited alleging bungling and irregularities. These complaints are being looked into.

IDA Pay Scale to Textile Workers

7751. SHRI RAMDAS ATHAWALE : Will the Minister of TEXTILES be pleased to state :

(a) whether implementation of (IDA) Pattern of pay scale, in NTC (HC) and NTC (TN&P) Limited has been linked with the cases pending before BIFR/Supreme Court;

(b) if so, the reasons therefor;

(c) whether this is contradictory to Memorandum of Understanding signed in this regard; and

(d) if so, the corrective steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) and (b) Yes, Sir. Since the issue of revision of IDA pay scales in 8 other NTC subsidiaries is pending before Supreme Court, any decision in respect of these two companies would have implications on this case. However, adhoc revision of IDA pay scales in respect of employees of NTC (HC) and NTC (TNP) has been given w.e.f. 1.7.1999 subject to the condition that Companies generate additional resources required for meeting the such expenditure.

(c) Government has not signed any Memorandum of Understanding in this regard.

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

Used Car Export Policy

7752. SHRI KAMAL NATH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Government are contemplating to formulate a used car export policy which will facilitate shipping out the pre-owned cars;

(b) if so, the broad outlines of the same;

(c) the total number of car makers who have already set up used car business in the country; and

(d) the time by which the used car export policy is likely to come into effect?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) No, Sir.

(b) and (d) Does not arise.

(c) No such information is maintained in this Ministry.

Lord Krishna Bank and Catholic Syrian Bank

7753. SHRI PRABHUNATH SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether current accounts were opened in different branches of Lord Krishna Bank and Catholic Syrian Bank and huge amounts were transferred to other branches in Tamil Nadu and Kerala allegedly supposed to be used for terrorist activities;

(b) if so, whether the matter has been investigated; and

(c) if so, the action taken against the bank's officials responsible for opening those accounts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) RBI has reported that the Enforcement Directorate had informed that one party had opened certain accounts in various branches of Kerala based private sector banks including Lord Krishna Bank Ltd. and Catholic Syrian Bank Ltd. without adhering to the normal stipulations prescribed by RBI and large scale transfer of funds as well as operations in cash took place in these accounts. RBI had conducted preliminary scrutiny which revealed certain irregularities, detailed scrutiny is being conducted by RBI.

Permission to French Company to set up Mineral Water Plant

7754. SHRI SAIDUZZAMA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether a French firm Danone propose to set

up mineral water plant in India and may also takeover Himalayan brand and a few other companies;

(b) if so, the details thereof;

(c) whether it is considered reasonable to permit such companies in areas where Indian companies and former MNCs are already well established apart from the entry of Railway Board in the mineral water business;

(d) if so, the rationale behind such move;

(e) whether the Government will also not allow use of Ganges, Yamuna and other rivers water for exploitation for exports market by foreign firms; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) No request in this regard has been received for consideration of the Government.

(b) Does not arise.

(c) to (f) FDI up to 100% is permitted in most activities in the manufacturing sector. With the virtual abolition of industrial licensing, except for a few activities, creation of capacities in various sectors is left to market forces. Similarly, restrictions on import of foreign technology have also been virtually lifted. In regard to the specific matter raised about mineral water sector, the same is open to both domestic and foreign players without any restriction on capacity expansion or creation of fresh capacity. All requirements to be met from environmental angle will apply equally to domestic and foreign investors.

[Translation]

Corruption in Import by STC

7755. SHRI LAXMAN GILUWA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Central Bureau of Investigation is holding inquiry into the alleged corruption in import deal of urea and edible oils made by STC;

(b) if so, the details thereof alongwith the officials of STC involved in this case;

(c) whether some of the officers involved in the case are being appointed at higher posts there;

(d) if so, the details thereof; and

(e) the steps proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) No, Sir.

(b) to (e) Does not arise.

[English]

Revenue from Textile Industry

7756. SHRIMATI KUMUDINI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to allow the States to tax Additional Excise Duty articles after introduction of VAT in the States;

(b) the total revenue collected in the country during the last three years from textiles, State-wise;

(c) whether after the price hike of the textiles due to globalisation of the economy and freedom of trade of imported textiles, the Textile industries of the country be affected; and

(d) if so, the remedies contemplated by Government to address this problem?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir. In principle, a decision has been taken that the States should be allowed to levy a Value Added Tax (VAT) on Additional Excise Duty items, i.e. sugar, tobacco and textiles which will coincide with the States' decision to implement VAT with effect from 1st April 2003.

(b) The revenue from Excise Duty is collected by the Central Government. Therefore, State-wise figures are not required to be maintained. However, the revenue collected from textiles in the last three years is as under :

Year	(Rs. in Crores)
1998-1999	4312
1999-2000	4224
2000-2001	4346

(c) and (d) Ministry of Textiles have reported that the prices of textile items have not increased in the past in commensurate with general price index. Though imports of textile items have increased in the past, but such imports are not significant as these are only 1% of domestic production.

[Translation]

National Minorities Commission

7757. SHRI RAMJI LAL SUMAN :
DR. SUSHIL KUMAR INDORA :
SHRI NARESH PUGLIA :

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether the National Commission for Minorities have submitted six reports to the Government during the last decade;

(b) if so, the details thereof;

(c) whether the Government have taken any action so far on the recommendations made in the said reports;

(d) if so, the details thereof;

(e) the number of recommendations on which action has not been taken so far; and

(f) if so, the reasons therefor?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) to (f) Yes, Sir. The National Commission for Minorities has made a number of important recommendations in its six Reports. All these recommendations have been referred to the concerned Ministries/Departments of the Central Government and also to the State Governments for taking

appropriate action and making information on the same available to this Ministry.

[English]

CVC Comments on Insurance Companies

7758. DR. A.D.K. JAYASEELAN : Will the Minister of FINANCE be pleased to state :

(a) whether recently CVC has formulated stringent norms for maintaining an eye over investment and other activities of the insurance companies;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to issue stringent norms to monitor chit fund companies and other companies which usurp public money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The Central Vigilance Commission has informed that they have not issued any such norms.

(c) Comprehensive regulatory frame work has been put in place which is aimed at protecting the interests of the depositors and ensuring that non-banking financial companies (NBFCs) function on sound and healthy lines. The regulatory frame work includes, inter-alia, compulsory registration, maintenance of liquid assets, transfer of at least 20% of net profit and empowering RBI to issue directions to NBFCs. RBI takes various actions against errant NBFCs for various defaults and contravention of provisions of the RBI Act. Government has also introduced Financial Companies Regulation Bill, 2000 in Lok Sabha on 13th December, 2000 which has been referred to the Standing Committee on Finance for consideration.

As regards chit funds, Government have enacted the Chit Fund Act, 1982 for ensuring uniformity in the provisions applicable to Chit Fund institutions throughout the country. All State Governments are required to frame rules for extending the provisions of this Act to their respective jurisdictions. The Reserve Bank of India is actively involved in pursuing all the State Governments for early formulation of rules under the Central Act. Since the Chit Fund companies are

registered and regulated through the State Governments, and any action against a delinquent company falls under the regulatory jurisdiction of the concerned State Government.

[Translation]

Turnover of Central Cottage Industries Corporation

7759. SHRI RATILAL KALIDAS VARMA : Will the Minister of TEXTILES be pleased to state :

(a) the year-wise details of business transactions made by the Central Cottage Industries Corporation Limited during the last three years;

(b) whether the terrorist incidents have been affected the business of Central Cottage Industries Corporation Limited of India;

(c) if so, the details thereof; and

(d) the effective steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) The year-wise details of business sales transactions made by the Central Cottage Industries Corporation Limited during the last three years is as under :-

(Rs. in Lakhs)		
1999-2000	2000-2001	2001-2002
5312.46	5741.93	5314.13

(b) and (c) Yes, Sir. The Central Cottage Industries Corporation Limited has reported that the recent attack on World Trade Centre in New York, Parliament House in New Delhi and on J&K Assembly have adversely affected their business and as a result, the sales of the Corporation has declined by 7% in 2001-2002 compared to the sales registered in the year 2000-2001.

(d) The effective steps taken in this regard by the Corporation include: holding of exhibition; design development programmes; opening retail outlets in franchise mode; wider publicity and development of institutional clientele.

Review of Working of Export Firms

7760. SHRI JAIBHAN SINGH PAWAIYA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Government review the working of companies engaged in export from time to time;

(b) if so, whether any companies have been found guilty during the last three years;

(c) if so, the details thereof;

(d) whether any action has been taken against such erring companies during the above period;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (f) In a liberalized era review of working of any company, whether engaged in exports or not, is not normally undertaken by any agency of the Government unless there is specific information of any possible wrong doing. In case of companies who are engaged in exports, unless they claim drawback from the Department of Revenue or other facilities from the Department of Commerce, their export activities are not scrutinised in detail. However, for violation of the provisions of FTD&R Act 1992 actions are initiated from time to time. Similarly the Department of Customs may also initiate action under the Customs Act, 1962. There are quasi-judicial proceedings. If the allegations are established penal action may include inter-alia levy of penalty, suspension/cancellation of licence and suspension/cancellation of importer exporter code number. Under the Customs Act criminal procedures can also be initiated.

[English]

Guarantee Risk Reserve Fund

7761. SHRI CHANDRA BHUSHAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have decided to create a guarantee risk reserve fund for State Governments

for servicing debt obligations in case projects back-fire; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) In view of the growing magnitude of guarantees and the impact this could have on future fiscal position of the States, the RBI constituted a Technical Committee to examine the issue of State Government Guarantees in all its aspects. The Committee has, inter-alia, recommended that each State set up a contingency fund or make some provision for discharging possible devolvement of guarantees provided by them. Since the recommendations of the Committee, several States have taken steps to set up Guarantee Redemption Fund and earmarked guarantee fees received, towards the fund.

Revamping Customs Department

7762. SHRI A.F. GOLAM OSMANI :
SHRIMATI SHYAMA SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Customs authorities at Delhi have since investigated the various discrepancies detected by air cargo unit of Customs against Sam Avia during the last three years;

(b) if so, the details thereof;

(c) whether the Government propose to tone up the functioning of the customs at various airports to check such discrepancies of the private cargo airlines; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Yes, Sir. The Customs authorities in Delhi have conducted investigations against M/s Sam Aviation Pvt. Ltd. in connection with two separate cases detected by the Air Cargo Unit.

In the first of these cases, miscellaneous unmanifested goods valued at Rs. 55.57 lakhs, being attempted to be smuggled out by a flight operated by M/s East Line Aviation Ltd., of whom M/s Sam Aviation Ltd. were one of the

agents, were seized on 9.2.1997. Subsequently, the goods were ordered to be confiscated and penalties were also imposed on the said two companies as well as some of their employees. Appeals against the order for confiscation and imposition of penalties are presently pending in the High Court of Delhi.

In the second case involving fraudulent claims of drawback to the tune of Rs. 3.5 crores, the role of M/s Sam Aviation Pvt. Ltd. is under investigation.

(c) and (d) All field formations under the Customs Department including Directorate of Revenue intelligence are alert and vigilant to prevent such discrepancies by the private cargo airlines at various airports of the country.

New Accounting Norms for Stock Exchanges

7763. SHRI K.E. KRISHNAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether the SEBI has requested Institute of Chartered Accountants of India (ICAI) to formulate special new accounting norms for stock exchanges, mutual funds, private funds and other financial institutes;

(b) if so, the details thereof; and

(c) the time by which the new accounting norms are likely to be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) The Securities and Exchange Board of India (SEBI) has intimated that SEBI has been interacting with the Institute of Chartered Accountants of India (ICAI) on a continuous basis for initiating the standard setting process in the areas where ICAI has not issued accounting standards. SEBI has set up a Accounting Standards Committee which examines various issues relating to accounting standards and financial reporting and gives recommendations to SEBI. ICAI is also represented in the Committee and the Committee has been providing inputs to ICAI for evolving new standards and upgrading the existing ones wherever required. However, SEBI has not made any formal request to ICAI to formulate special new accounting norms for stock exchanges, mutual funds, private funds and other financial institutes.

Enquiry by BIS

7764. SHIR SHEESH RAM SINGH RAVI : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether CAG in its report 4 of 2000 (Civil) in paragraph 5.1 on pages 16-17 brought out the fact of not implementing the revised rates till September, 1977 thereby causing loss of revenue of Rs. 2.49 crores;

(b) whether the Chief Vigilance Officer of BIS was holding enquiry into the circumstances in which the revised rates of fees were kept in abeyance for three years and to fix responsibility;

(c) if so, has the CVO since completed its enquiry and fixed responsibility on anyone;

(d) if so the details thereof and the action taken in the matter; and

(e) whether the money of Rs. 2.49 crore been realised by now?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD) : (a) Yes, Sir. The revised rates were implemented by Bureau of Indian Standards (BIS) in September, 1997 although the recovery of the revised fee was made retrospectively applicable from September, 1994.

(b) to (d) After the inquiry conducted by the Chief Vigilance Officer of BIS and Director (Vigilance) of the Department of Consumer Affairs responsibility was fixed on two officers then working in BIS who have since retired. Further action is in process in consultation with the Central Vigilance Commission and Ministry of Law.

(e) Out of Rs. 2.49 crores, an amount of Rs. 1.97 crores approximately had been realized by the end of March, 2002.

Refund Orders by Income Tax

7765. SHRI RAGHUNATH JHA : Will the Minister of FINANCE be pleased to state :

(a) whether the income tax department is not

sending refund orders cheques of assessee's eve after a lapse of two or more years;

(b) if so, the reasons thereof and the mandatory time by which the department required to send the fund orders (cheques) to the assessee's after filing of the income tax returns; and

(c) the outstanding amount yet to be refunded as on date and by when will that is likely to be refunded and at what rate of interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

(b) As per section 143(1) of the Income Tax Act, any refund due on the basis of a return has to be granted and an intimation to this effect has to be sent to the assessee, within one year from the end of the financial year in which the return is made.

(c) The outstanding amount for refund as on date can not be ascertained before all the returns filed till date are processed u/s 143(1) of the Income Tax Act. The refund voucher is issued within 15 days of processing of return. Simple interest at the rate of 0.75% for every month or part of the month is paid to the assessee for delay in issue of refund.

Listing Norms

7766. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether the Stock and Exchange Board of India has decided to alter the present listing norms;

(b) if so, the details thereof; and

(c) the reasons for the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) The Securities and Exchange Board of India (SEBI) has intimated that SEBI has constituted a Committee on delisting of securities which has the following terms of reference :

(i) To examine and review the present conditions for the delisting of securities of companies listed

on the recognised stock exchanges including the delisting by MNCs and suggest norms and procedures in connection therewith;

- (ii) To review and standardise the listing agreement;
- (iii) To examine the concept of listing at regional stock exchanges and establishment of listing authority across the exchanges;
- (iv) To suggest ways to effective implementation of listing conditions and penal provisions for non-compliance; and
- (v) To recommend changes in Laws, Rules, Regulations etc. in order to give effect to the recommendations on the above mentioned matter.

This is expected to bring about uniformity of the listing norms across stock exchanges and also to improve the effective implementation of listing norms.

Amount Recovered by IFCI and IDBI

7767. DR. C. KRISHNAN : Will the Minister of FINANCE be pleased to state :

(a) the amount recovered by IFCI and IDBI from various companies as on 31st March 2002;

(b) the names of the major defaulters who owe more than Rs. 100 crores and also the year from which the dues are outstanding;

(c) the number of companies who have disappeared from market;

(d) the concrete steps initiated by IFCI and IDBI during the last three years for recovering the dues; and

(e) the amount payable by IFCI and IDBI to various financial institutions and trusts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The amount recovered by IDBI from various assisted companies in its direct loan portfolio during the financial year

2001-2002 was Rs. 12,530 crore (provisional). In so far as IFCI is concerned, during the year 2001-2002 an amount of Rs. 2814.7 crores was recovered.

(b) The number of major defaulters who owe more than Rs. 100 crore are 15 in IDBI and 18 in IFCI. In accordance with the practices and usages customary amongst the banks and in conformity with the provisions of statutes governing the financial institutions as also the provisions of Public Financial Institutions (obligations as to Fidelity and Secrecy) Act, 1983, the information in respect of the constituents of the Banks and Public Financial Institutions, cannot be divulged.

(c) As per the information furnished by IDBI none of the companies owning more than Rs. 100 crore and defaulting in payment to IDBI has disappeared from the Stock exchange. IFCI have reported that 4 out of 18 companies were not listed on any of the stock exchanges.

(d) Steps initiated by IFCI and IDBI for recovering the dues include drive for one time negotiated settlement, initiating legal proceedings in appropriate cases, filing of suits in courts/Debt Recovery Tribunals, close monitoring of Accounts, regular reviews, discussions, follow up, visits to units as well as follow up by the nominee directors, advising the names of willful defaulters to RBI, reference to Corporate Debt Restructuring (CDR) system for restructuring take over/merger of sick units wherever feasible or change of management, rehabilitation package for sick/BIFR cases, restructuring in respect of units facing genuine problems etc.

(e) The amount borrowed by IDBI from various FIs/Banks, trusts as on 31.3.2002 is Rs. 23,629 crore and by IFCI as on 10.5.2002 is Rs. 14,113.08 crore.

[Translation]

Losses to UTI

7768. DR. SUSHIL KUMAR INDORA :
SHRI NAWAL KISHORE RAI :

Will the Minister of FINANCE be pleased to state :

(a) whether various schemes of the Unit Trust of India have suffered losses worth Rs. 3,700 crore till the end of March, 2002 due to non performing assets;

- (b) if so, the facts in this regard;
- (c) whether the Government have received any requests to compensate these losses;
- (d) if so, the decision taken by the Government thereon so far; and
- (e) the total financial assistance provided to the above trust by the Government during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Information is being collected and will be laid on the Table of the House.

(c) to (e) As part of a financial package announced on 28.12.2001 Government will compensate UTI in respect of the US-64 scheme for the deficit, if any, between the NAV and applicable repurchase prices, with regard to the limited repurchase facility announced on July 15, 2001 upto 3000 units which has been raised to 5000 units per unit-holder, and for remaining holdings in US-64, the deficit, if any, between Rs. 10 per unit and Net Asset Value (NAV) whichever is higher on May 31, 2003. Government has released a sum of Rs. 300 crores to UTI in the last financial year.

[English]

Hindustan Cables Limited

7769. SHRI RAJAIHA MALYALA : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether the Hindustan Cables Limited has not made the timely payments to the small scale industries which supplies of raw material during the last two years; and

(b) if so, the details thereof alongwith the efforts made by the Government to make the timely payments to the such Small Scale Industries?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) Yes, Sir.

(b) As per information collected, the outstanding dues of Small Scale Suppliers of raw material as on

31.3.2002 are around Rs. 1066.86 lakhs. Measures to deal with the problem include efforts to obtain release of substantial orders for PIJF cables for the year 2002 along with advance which materializing will be helpful in making payment to raw material suppliers.

[Translation]

Loans to Farmers

7770. DR. M.P. JAISWAL :

SHRI DILEEP SANGHANI :

DR. JASWANT SINGH YADAV :

Will the Minister of FINANCE be pleased to state :

(a) whether banks in the country are not showing much interest in giving loans in rural areas;

(b) if so, the reasons therefor;

(c) the amount of loan provided by the banks to farmers in various States during the last three years and till date;

(d) the State-wise percentage of amount of loan provided to the farmers as against the national level figures during the above period;

(e) the State-wise number of applications received from the farmers for providing loan during the said period;

(f) the number of applications still pending out of them; and

(g) the steps taken for earlier clearance of these applications?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) No, Sir. Banks are lending to agriculture sector. In fact their advances to agriculture sector have been increasing as indicated below for the last three years :

Year	Amount Outstanding (Rs. Crores)
March, 1998	35777.32
March, 1999	41210.82
March, 2000	49433.56

(c) The State-wise amount of loan provided by scheduled commercial banks to agriculture sector for the last three years, as reported by Reserve Bank of India (RBI), is given in Statement-I.

(d) The State-wise percentage of loan provided by scheduled commercial banks to farmers for the last three years is furnished in Statement-II.

(e) and (f) The data reporting system of RBI and National Bank for Agriculture and Rural Development (NABARD) does not generate the information in the manner asked for.

(g) As recommended by High Level Committee (R.V. Gupta Committee) on Agricultural Credit, loan forms have been simplified and standardized and simultaneously adequate powers have been delegated to field level officers of banks for quicker clearance of loan proposals.

Statement-I

State-wise amount of loan provided by scheduled commercial banks to agriculture sector during the years ending March 1998, 1999 and 2000

(Rs. in Crores)

Sl. No.	Name of State/ UT	March, 1998	March, 1999	March, 2000
1	2	3	4	5
1.	A & N Islands	3.15	3.73	3.38
2.	Andhra Pradesh	4489.23	5195.90	5671.10
3.	Arunachal Pradesh	9.99	12.45	14.98
4.	Assam	298.71	331.45	314.19
5.	Bihar	1075.78	1225.41	1279.01
6.	Chandigarh	214.37	294.06	420.67
7.	D & N Haveli	1.32	1.30	1.42
8.	Daman & Diu	0.67	0.82	1.06
9.	Goa	66.11	66.67	64.26
10.	Gujarat	1963.93	2253.34	2454.84
11.	Haryana	1192.02	1312.41	1584.52
12.	Himachal Pradesh	134.60	157.08	166.57

1	2	3	4	5
13.	Jammu & Kashmir	139.68	167.59	163.69
14.	Karnataka	3411.01	4358.30	4367.25
15.	Kerala	1701.32	1843.55	1935.85
16.	Lakshadweep	0.56	0.59	12.12
17.	Madhya Pradesh	2277.13	2576.71	2881.02
18.	Maharashtra	3991.27	5158.21	8620.23
19.	Manipur	19.92	19.09	28.51
20.	Meghalaya	16.48	16.51	18.97
21.	Mizoram	4.14	5.07	5.83
22.	Nagaland	20.49	22.21	23.91
23.	NCT of Delhi	747.56	611.14	1704.13
24.	Orissa	678.67	730.38	783.43
25.	Pondicherry	51.13	51.46	52.68
26.	Punjab	2258.29	2745.21	3169.34
27.	Rajasthan	1611.25	1893.86	2261.28
28.	Sikkim	8.64	7.54	6.77
29.	Tamil Nadu	4592.10	4751.39	4977.87
30.	Tripura	48.36	52.43	51.09
31.	Uttar Pradesh	3056.02	3461.86	4048.45
32.	West Bengal	1706.29	1883.11	2344.93
Total		35777.32	41210.82	49433.56

Statement-II

State-wise percentage of amount of loan provided by scheduled commercial banks to farmers as against their national level for the last three years

Sl. No.	Name of State/ UT	March, 1998	March, 1999	March, 2000
1	2	3	4	5
1.	A & N Islands	0.01	0.01	0.01

1	2	3	4	5
2.	Andhra Pradesh	12.55	12.61	11.47
3.	Arunachal Pradesh	0.03	0.03	0.03
4.	Assam	0.83	0.80	0.64
5.	Bihar	3.01	2.97	2.59
6.	Chandigarh	0.80	0.71	0.85
7.	D & N Haveli	0.00	0.00	0.00
8.	Daman & Diu	0.00	0.00	0.00
9.	Goa	0.18	0.16	0.13
10.	Gujarat	5.49	5.47	4.97
11.	Haryana	3.33	3.18	3.21
12.	Himachal Pradesh	0.38	0.38	0.34
13.	Jammu & Kashmir	0.39	0.41	0.53
14.	Karnataka	9.53	10.58	8.83
15.	Kerala	4.78	4.47	3.92
16.	Lakshadweep	0.00	0.00	0.02
17.	Madhy Pradesh	8.36	6.25	5.83
18.	Maharashtra	11.16	12.52	17.44
19.	Manipur	0.06	0.05	0.06
20.	Meghalaya	0.05	0.04	0.04
21.	Mizoram	0.01	0.01	0.01
22.	Nagaland	0.06	0.05	0.05
23.	NCT of Delhi	2.09	1.48	3.45
24.	Orissa	1.90	1.77	1.58
25.	Pondicherry	0.14	0.12	0.11
26.	Punjab	6.30	6.86	6.41
27.	Rajasthan	4.50	4.60	4.57

1	2	3	4	5
28.	Sikkim	0.02	0.02	0.01
29.	Tamil Nadu	12.81	11.53	10.07
30.	Tripura	0.14	0.13	0.10
31.	Uttar Pradesh	8.54	8.40	8.19
32.	West Bengal	4.77	4.67	4.74
All India		100.00	100.00	100.00

Merger of IFCI with Banks

7771. DR. SANJAY PASWAN :

SHRI RAMDAS ATHAWALE :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to merge the IFCI with the State Bank of India/Life Insurance Corporation of India or with some other nationalised banks in view to cut down the NPA's;

(b) if so, the details thereof;

(c) whether in order to bailout the 'IFCI' from its present crisis the Government propose to give more powers to the corporation by way of making a special law with a provision of giving Government guarantee on the bonds issued by the corporation in order to recover the non-performing assets and to facilitate the corporation to mobilize money from the market; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No such proposal is under consideration of the Government at present.

(b) Does not arise.

(c) No such proposal is under consideration of the Government at present.

(d) Does nto arise.

[English]

Urban Cooperative Banks

7772. SHRI G.J. JAVIYA :
SHRIMATI KAILASHO DEVI :
SHRI CHANDRESH PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government are aware of the panick striken situation caused by reported closure of Urban Cooperative Banks in Anand, Nadiad, Gujarat and other parts of the country;

(b) if so, the details thereof;

(c) whether during the last fortnight more than 60.00 crores have been withdrawn from these banks by the depositors;

(d) whether the Reserve Bank of India is keeping a vigil over the functioning of Urban Cooperative and private banks, after the Madhavpura bank collapse;

(e) if so, the details thereof; and

(f) the action taken by the Government against the persons found responsible for such situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Yes, Sir. Some of the Urban Co-operative Banks in Anand/Nadiad, Gujarat and other parts of the country had faced temporary liquidity problems in meeting the demands of the depositors. Due to liquidity crunch faced by Charotar Nagarik Sahakari Bank Ltd., Anand (Gujarat), there was rush for withdrawal by its depositors. Apprehending a serious situation and to avoid damages, the management of the bank decided to close its operations at all its branches temporarily. Consequently the bank's branches were closed during the period 2nd January to 6th Jnuary, 2002. However, it did not have contagious effect on other urban co-operative banks in and around Anand. The bank reopened its branches on 7th January, 2002 and its customers/depositors are reported to have extended full co-operation to the management of the bank and no panic-like situation was faced thereafter. Similarly, the scrutiny of books of accounts of The Natpur Co-operative Bank Ltd., Ahmedabad revealed that the bank had suffered a serious

set back on account of its huge investment with Madhavpura Mercantile Co-operative Bank Ltd. RBI had taken action by way of issuing of directions and restraining the bank's operations including accepting of fresh deposits. Similar situations were observed in The Rupee Co-operative Bank Ltd., Pune and The Charminar Co-operative Bank Ltd., Hyderabad.

(c) The total amount withdrawn during the fortnight ended 10th May, 2002 from Anand and Nadiad in Gujarat, as reported by RBI, was Rs. 16.48 crore which is not considered as abnormal.

(d) and (e) RBI has taken various regulatory/supervisory measures to avoid such failure in future. These include restricting the operations of co-operative banks in call money market, revising the norms of investment in Government and other approved securities, restricting the investment of funds as deposit with other cooperative banks, restricting the issue of bankers' cheques by urban co-operative banks, introduction of a system of Off-site surveillance on scheduled urban banks, etc. Similarly, the capital market exposure of the individual old/new private sector banks are being monitored through periodical returns received from the banks as well as druing annual financial inspections. A letter of displeasure has also been issued by RBI to these private sector banks for their large exposure to the capital market.

(f) On the basis of the findings of inspection of Urban Co-operative Banks, RBI has initiated several steps like issuing of requisition of supersession of the Board of 13 banks during the last three years, filing of criminal complaints, requesting the RCS, Maharashtra to institute an enquiry against the Board of Directors of Rupee Co-operative Bank for mismanagement of affairs, filing of criminal case in High Court of Gujarat against the Chairman and Directors of the Board of Shree Laxmi Co-operative Bank, Ahmedabad and initiating action against the Chairman of General Co-operative Bank Ltd., Ahmedabad, etc.

[Translation]

Grants for Panchayati Raj

7773. SHRI MANIKRAO HODLYA GAVIT :
SHRI P.S. GADHAVI :

Will the Minister of FINANCE be pleased to state :

(a) whether Eleventh Finance Commission has sanctioned grants for Panchayati Raj institutions in various States particularly in Maharashtra and Gujarat for the years 2000-2001 and 2001-2002;

(b) if so, the amount thereof and whether the sanctioned grants have been released to the States;

(c) if not, the reasons therefor; and

(d) the time by which it is likely to be released?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir.

(b) A statement is enclosed.

(c) and (d) As per the guidelines for utilisation of local bodies grants recommended by the Eleventh Finance Commission for 2000-05, such grants shall be released to the States that have completed the due election process in respect of local bodies. Further, in case of delay in holding local bodies elections, funds will be deducted proportionately. Accordingly, the grants for Panchayati Raj Institutions (PRIs) have been released to the States that have completed the due election process in respect of PRIs.

Statement

Allocation and Release of Grants for Panchayati Raj Institutions as per the recommendations of the Eleventh Finance Commission

(Rs. in lakhs)

Sl.No.	State	For the year 2000-01		For the Year 2001-02	
		Allocated	Released	Allocated	Released
1	2	3	4	5	6
1.	Andhra Pradesh	15204.83	0	15204.83	15204.83
2.	Arunachal Pradesh	556.85	278.42	556.85	0
3.	Assam	4668.95	0	4668.95	4668.95
4.	Bihar	10875.00	0	10875.00	10875.00
5.	Chhattisgarh	4200.39	4200.39	4200.39	4200.40
6.	Goa	185.45	185.45	185.45	185.46
7.	Gujarat	6960.87	0	6960.87	6960.87
8.	Haryana	2941.75	2941.75	2941.75	2941.76
9.	Himachal Pradesh	1313.38	1313.38	1313.38	1313.38
10.	J & K	1488.14	1488.14	1488.14	0
11.	Jharkhand	4825.76	0	4825.76	0
12.	Karnataka	7882.35	7882.35	7882.35	7882.36
13.	Kerala	6592.58	6592.58	6592.58	6592.58

1	2	3	4	5	6
14.	Madhya Pradesh	10109.00	10109.00	10109.00	10109.00
15.	Maharashtra	13134.58	13134.58	13134.58	13134.58
16.	Manipur	375.43	375.43	375.43	375.44
17.	Meghalaya	512.16	512.16	512.16	512.16
18.	Mizoram	157.11	157.11	157.11	157.12
19.	Nagaland	257.33	257.33	257.33	257.34
20.	Orissa	6911.76	6911.76	6911.76	6911.76
21.	Punjab	3092.71	0	3092.71	0
22.	Rajasthan	9818.96	9818.96	9818.96	9818.96
23.	Sikkim	105.85	105.85	105.86	105.86
24.	Tamil Nadu	9322.36	9322.36	9322.36	9322.3
25.	Tripura	569.19	569.19	569.19	569.19
26.	Uttar Pradesh	23342.67	23342.67	23342.67	23342.68
27.	Uttaranchal	3040.00	3040.00	3040.00	3040.00
28.	West Bengal	11554.59	11554.59	11554.59	11554.60
Total		160000.00	114093.45	160000.00	150036.64

[English]

Commercial Crop Policy

7774. SHRI KODIKUNNIL SURESH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

- whether the Government propose to formulate a commercial crop policy;
- if so, the details thereof; and
- if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (c) The main policy objective is to ensure food security. For this, assistance to the farmers is extended

under various centrally sponsored schemes for increasing productivity of crops, including commercial crops. Farming is a private enterprise and different crops are grown by farmers depending upon agro climatic conditions and economic considerations.

Evasion of Customs Duty by Firms

7775. SHRI SURESH RAMRAO JADHAV : Will the Minister of FINANCE be pleased to state :

- the figures of evasion of customs duty by firms operating under the various export promotion schemes since 1999, year-wise and scheme-wise;
- whether any defaulting firm/offenders have been prosecuted/punished for evasion of customs duty; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) The information is being collected and will be laid on the Table of the House.

Quality of Indian Goods

7776. SHRI J.S. BRAR :

SHRI ASHOK N. MOHOL :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the quality of Indian manufactured goods in general is considered inferior to those of foreign countries;

(b) if so, whether due to inferior quality of products Indian export growth has affected badly;

(c) if so, whether the Government have evolved any scheme at National level to help Indian manufacturers to improve the quality of their products to international standard; and

(d) if so, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (d) It cannot be stated that quality of Indian manufactured goods in general is inferior as quality will vary from product to product and manufacturer to manufacturer. Similarly, exports are also dependant upon number of factors like product quality, product pricing, international conditions etc. In fact, India's exports have grown from US \$ 17998.00 million in 1990-91 to US \$ 43998.53 million in 2001-2002, an increase of 144% i.e. approx. 2.5 times.

The Central Government aims to encourage manufacturers and exporters to attain internationally accepted standards of quality for their products. Accordingly, exporters who acquire ISO 9000 (series) status are granted the status of Export House on achieving average fob value of Rs. 5 Crore during the preceding three licensing years as against the normal threshold limit of Rs. 15 Crore.

Depository Participants Charge

7777. SHRI NARESH PUGLIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that small investors have to deposit their shares with the Depository Participant irrespective of the number of share held by them;

(b) if so, whether the Depository Participant realised money from the depositor for opening an account, for depositing shares of each company and also charges annual maintenance charges;

(c) if so, the details thereof;

(d) whether the Government have fixed these charges or the Depository Participants charge the amount of their own will;

(e) if so, whether this has caused a great resentment among the small investors as they have to make payment to Depository Participant without any benefit to them; and

(f) if so, the manner in which the Government propose to relieve small investors from this burden of making payment to Depository Participant unnecessarily?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The Securities and Exchange Board of India (SEBI) has intimated that under the Depositories Act, 1996 the right to hold shares either in physical or dematerialised form vests with investors. Further, Stock Exchanges should provide an additional trading window as a one time facility for small investors to sell physical shares (which are in compulsory demat list) not exceeding 500 shares in number irrespective of their value. Also, the investors, if they so desire, can rematerialise the shares that were already dematerialised.

(b) and (c) Depository Participants charge the investor certain service charges like annual account maintenance charges, custody charges per ISIN (per company) and transaction charges, for the various services rendered, as per the agreement entered into with investors. These charges and fees are based on the charges levied by the Depository on the Depository Participants.

(d) The manner of determination and levy of fees and charges by Depositories is their commercial decision based on transaction costs incurred by them.

(e) and (f) According to SEBI, National Securities Depository Limited (NSDL) Central Depository Services (India) Limited (CDSL) had revised their tariff structure to a flat fee basis. Based on the representations received from certain individual investors, against revision of charges, SEBI advised the Depositories to reconsider the decision. NSDL has since revised the tariff structure downwards, effective from May 1, 2002. Tariff structure of Central Depository Services (India) Limited is comparable to that of National Securities Depositories Limited.

[Translation]

ADB Loan

7778. SHRI RAJO SINGH :
SHRI T. GOVINDAN :

Will the Minister of FINANCE be pleased to state :

(a) the loans taken from Asian Development bank during each of the last five years and the purposes for which such loan was taken;

(b) the present status of the projects being run with the loans received from ADB and the stipulated time frame for their completion;

(c) whether ADB has decided to increase the limit of its annual assistance;

(d) if so, the details thereof; and

(e) the terms and conditions suggested for economic reforms by the International Banks and Financial agencies alongwith the reforms being carried out by the Government as per their instructions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) A statement is attached.

(c) and (d) No, Sir. Country Confirmation Mission of Asian Development Bank has indicated possible loan assistance of US \$ 1125 to 1225 million for India for the Calendar Year 2002.

(e) No such instructions have been given by International Banks and Financial Agencies.

Statement

Loans approved by ADB during the last Five Calendar Year

Sl. No.	Name of the Project	Date of Approval	Loan Amount Originally approved by ADB (US \$ m)	Net loan Amount after cancellation (US \$ m)	Laon closing Date	Utilisation till 31.3.02 (US \$ m)
1	2	3	4	5	6	7
1997						
1.	1549-Housing Finance-NHB	25.9.1997	100.00	100.00	30.6.2003	100.00
2.	1550-Housing Finance-HUDCO	25.9.1997	100.00	100.00	30.6.2003	100.00
3.	1551-Housing Finance-HDFC	25.9.1997	100.00	100.00	30.6.2003	100.00

1	2	3	4	5	6	7
4.	1556-Mumbai Port Project	29.9.1997	97.80	43.40 (Loan withdrawn)	—	43.40
5.	1557-Chennai Port Project	29.9.1997	15.20	8.50	30.3.2002	4.351
6.	1591-LPG Pipeline Project	16.12.1997	150.00	98.20	30.11.2001	98.20
	total for CY 1997		563.00	450.10		
1998						
1.	1647-Rajasthan Urban Infrastructure Development Project	3.12.1998	250.00	250.00	30.6.2005	1.28
	Total for CY 1998		250.00	250.00		
1999						
1.	1704-Karnataka Urban Development and Coastal Environment Management Project	26.10.1999	175.00	175.00	30.6.2005	1.393
2.	1717-MP Public Resource Management Program	14.12.1999	250.00	250.00	30.9.2002	175.00
3.	1719-Urban and Environmental Improvement Project—HUDCO	17.12.1999	90.00	0.00 (Loan withdrawn)	—	0.00
4.	1720-UEIF-ICICI	17.12.1999	80.00	80.00	30.9.2006	0.727
5.	1721-UEIF-IDFC	17.12.1999	30.00	30.00	30.9.2006	0.00
	Total for CY 1997		625.00	535.00		
2000						
1.	1747-Surat Manor Tollway Project	20.7.2000	180.00	180.00	30.9.2004	20.36
2.	1758-Housing Finance II—HUDCO	21.9.2000	100.00	0.00 (Loan withdrawan)	—	0.00
3.	179-Housing Finance II—NHB	21.9.2000	40.00	40.00	30.6.2007	0.00

1	2	3	4	5	6	7
4.	1760-Housing Finance II-HDFC	21.9.2000	80.00	0.00 (Loan withdrawn)	—	0.00
5.	1761-Housing Finance II-ICICI	21.9.2000	80.00	80.00	30.6.2007	0.00
6.	1764-Power Transmission Improvement Project	6.10.2000	250.00	250.00	31.3.2006	22.55
7.	1803-Gujarat Power Sector Development Program	13.12.2000	150.00	150.00	31.12.2002	51.50
8.	1804-Gujarat Power Sector Development Project	13.12.2000	200.00	200.00	30.6.2005	2.313
9.	1813-Calcutta Environmental Improvement Project	19.12.2000	250.00	250.00	31.12.2007	0.00
	Total for CY 2000		1330.00	1150.00		
2001						
1.	1826-Gujarat Earthquake Rehabilita- tion and Reconstruct- ion Project	26.3.2001	500.00	350.00	30.6.2004	.80.00
2.	1839-Western Transport Corridor Project	20.9.2001	240.00	240.00	30.6.2007	0.00
3.	1868-MP Power Sector Dev. Program	6.12.2001	150.00	150.00	31.12.2006	0.00
4.	1869-MP Power Sector Dev. Project	6.12.2001	200.00	200.00	31.12.2006	0.00
5.	1870-West Bengal Corridor Devl. Project	11.12.2001	210.00	210.00	30.6.2007	0.00
6.	1871-Private Sector Infrastructure Facility at State Level-IL&FS	11.12.2001	100.00	100.00	31.12.2006	0.00
7.	187-PSIFII-IDBI	11.12.2001	100.00	100.00	31.12.2006	0.00
	Total for CY 20001		1500.00	1350.00		

Cooperative Banks

7779. DR. ASHOK PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to bring the banking operations of cooperative banks under the total control of the Reserve Bank of India because of the unabated bungling in these banks;

(b) if so, the details thereof; and

(c) the time by which final decision in this regard is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) Presently, the co-operative banks, which are registered as co-operative societies under the respective State Co-operative Acts, are under the dual control of Reserve Bank of India (RBI) and the respective State Governments (or Central Government in case of Multi-State urban co-operative banks). This causes constant irritants and ambiguity in regulation and supervision of these banks. This issue has been examined in detail by various committees in consultation with State Governments and it is felt that to remove this duality of control, banking functions should be fully brought under RBI. Effort is being made to evolve a consensus in this regard in consultation with the State Governments.

Raids on FCI Godowns

7780. SHRIMATI SANGEETA KUMARI SINGH DEO : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government has conducted raids on the godowns of the Food Corporation of India to identify irregularities during the last three years;

(b) if so, the food items seized during the above said period alongwith State-wise details thereof and the loss suffered by the Government;

(c) the action taken against those found guilty; and

(d) the steps being taken by the Government to prevent such irregularities being committed in the Food Corporation of India?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) No, Sir. However, surprise inspections of Food Storage Depots of FCI are carried out by the officers of the Quality Control Cells to check the quality of foodgrains on a regular basis. Deficiencies noticed during the inspection are communicated to FCI for taking action against delinquent officials.

(b) to (d) In view of reply to part (a), the question does not arise.

[English]

Import Against Advance Licences

7781. DR. CHARAN DAS MAHANT : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether even after levy of anti-dumping duty on a product from a specific country/countries, our anti-dumping laws permit import of the said product from the subject countries without levy of anti-dumping duty, against an advance licence;

(b) whether the advance licence scheme provides for 18 months to fulfil the export obligation, extendable by another 6-12 months;

(c) if so, the measures being taken to ensure that the imported product is used for export production only; and

(d) whether Government are aware that in overseas countries, like US and EU items once subjected to anti-dumping duty, can be imported without payment of anti-dumping duty, only into designated foreign trade zones, whereby they will be converted into finished product and exported out of the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (d) The duty free import facility allowing exemptions from Basic Customs Duty, Additional Customs Duty, Special Additional Duty, Anti-Dumping Duty and Safeguard Duty ensures zero rating of exports as per internationally prevailing practices. The imports effected under advance licence is with an actual user condition and therefore the scheme does not allow transfer, sale or

disposal of the inputs in any other manner except for its utilisation for export by the unit importing the same. The export obligation period allowed for fulfilment is 18 months which is extendable by six months on payment of a composition fee of 1% and thereafter for a further period of six months on payment of a composition fee of 5%. Like US and EU, in India also, imports effected under designated foreign trade zones like Export Processing Zones, Special Economic Zones and imports effected by Export Oriented Units are also without payment of anti-dumping duty for conversion of such inputs into finished products for export purposes. The anti-dumping duty is to prevent the dumping of goods in the domestic market. The imports taking place for conversion and export purposes are therefore exempt from such a duty in all countries.

Income Tax on Agricultural Income

7782. SHRI P.S. GADHAVI : Will the Minister of FINANCE be pleased to state :

(a) whether no income tax is paid on agricultural income;

(b) if so, whether a large scale malpractices are routed through agricultural income with a view to evade tax; and

(c) if so, the remedial measures taken/proposed by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes Sir, no income tax is paid on agricultural income. However, such income is included in the total income for rate purposes.

(b) Some cases of claim of bogus agricultural income with a view to evade tax have come to the notice of the Income Tax Department.

(c) Necessary action under the provisions of the Income Tax Laws is taken to bring such bogus agricultural income to tax.

Regarding Restoration of Pension

7783. SHRIMATI RENUKA CHOWDHURY : Will the Minister of FINANCE be pleased to state :

(a) whether the Fifth Pay Commission had recommended restoration of full payment of pension for Government employees after 12 or 13 year of recoveries of commuted pension; and

(b) if so, the reasons for not accepting the Commission's recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir. The Fifth Central Pay Commission had recommended for restoration of commuted portion of pension after 12 years instead of present 15 years.

(b) Taking into account the financial implications of various recommendations of the Fifth Central Pay Commission, the Government decided not to accept the recommendation relating to restoration of commuted portion of pension after 12 years.

Smuggling of Mobile Phones

7784. DR. N. VENKATASWAMY : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of mobile phones are smuggled into the country;

(b) if so, the details of the Airports from where the smuggled mobile phones seized;

(c) whether a large number of such cases have been reported at Kamraj Airport, Chennai and IGI Airport, Delhi recently;

(d) if so, the details of the seizure; and

(e) the steps being taken by the Government to check the smugglings of mobile phones?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (d) There are no reports of large scale smuggling of mobile phones into the country. The details of cases of seizure of mobile phones at Kamraj Airport, Chennai and IGI Airport, New Delhi during the year 2001-2002 are as follows :

Name of the Airport	No. of cases booked	No. of mobile phone seized	Seizure Value (Rs. in lakhs)
Kamraj Airport, Chennai	403	19279	951.80
IGI Airport, New Delhi	9	297	38.38

(e) All field formations of the Customs Department including Directorate of Revenue Intelligence are alert and vigilant to detect and prevent smuggling of contraband goods including mobile phones.

Value of Rupee

7785. SHRI PAWAN KUMAR BANSAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Indian rupee has faced a steady decline in its value vis-a-vis other currencies for quite some time now;

(b) if so, the details thereof and its exchange value against other major currencies as on December 31 last year and the preceding two years;

(c) whether the value has been according to the expectations of the Government; and

(d) the actual role played by RBI in influencing the value of the rupee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (d) The exchange rate of the rupee is largely market determined. Under this system, the exchange rate of the rupee against the major foreign currencies moves in both directions on a day to day basis. While the rupee has depreciated against the US dollar, by 9.7 percent between end-December 1999 and end-December 2001, it had appreciated, during the same period against the Japanese Yen by 15.8 percent, Euro by 2.8 percent and the Pound Sterling by 0.6 percent. The exchange rates of the rupee against the four major world currencies as on December 31, 2001 as compared to December 29, 2000 and December 31, 1999 are given below :

Date	Rs./US dollar	Rs./100 Yen	Rs./Euro	Rs./Pound Stg.
December 31, 2001	48.18	36.69	42.64	69.89
December 29, 2000	46.75	40.74	43.41	69.75
December 31, 1999	43.51	42.48	43.84	70.28

Our policy aims at managing volatility of rupee with no fixed exchange rate target. Despite several unexpected external and domestic developments, India's external situation continues to remain highly satisfactory. The Reserve Bank monitors closely the developments in the financial markets at home and abroad and takes such monetary and other measures as it considers necessary from time to time.

Outcome of Doha Conference

7786. SHRI M. CHINNASAMY : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the outcome of the Doha Ministerial Conference of WTO with particular reference to Anti-dumping regulations;

(b) whether it has been defined in the WTO Agreement in the Doha conference;

(c) if so, whether it has taken public interest into consideration within a broad framework of WTO; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (d) At the Fourth Ministerial Conference of WTO held at Doha it was inter-alia agreed to have negotiations aimed at clarifying and improving disciplines under the Anti-dumping Agreement while preserving the basic concepts, principles and effectiveness of the Agreement and its instruments and objectives. The negotiations are also to take into account the needs of developing and least developed participants.

S&AG Observation on Under-charge of Tax

7787. SHRI SHEESH RAM SINGH RAVI : Will the Minister of FINANCE be pleased to state :

(a) whether the assessments for the assessment years 1994-95 to 1997-98 completed after scrutiny and for the assessment year 1998-99 done in summary manner were checked and omissions noticed leading to under-charge of tax of Rs. 186.09 crore as pointed out by C&AG in its Report No. 12A of 2002 (Direct Taxes) in paragraphs 4.6.1 to 4.6.7;

(b) if so, whether the matter has been enquired into; and

(c) if so, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The C&AG in their Report No. 12A of 2002 (for the year ended March, 2001) laid down in Parliament on 15th March, 2002 have pointed out certain mistakes in the assessment of some major Cement Companies like M/s ACC Ltd., M/s India Cements Ltd., M/s Madras Cements Ltd., M/s Gujarat Ambuja Cements, M/s Chettinad Cements Corpn. Ltd. and M/s Mangalam Cements Ltd. the details of which are given in paragraphs 4.6.11 to 4.6.7 of the said Report.

(b) and (c) The said Report of the C&AG is being examined in the CBDT and also in the field formations to determine the correctness or otherwise of aforesaid audit observations. Remedial action is taken by the field authorities wherever the objections are found acceptable. Even in the cases where the objections are not found acceptable remedial action is initiated as a precautionary measure as per CBDT's Instructions.

Tex-Styles India-2002

7788. SHRI GANTA SREENIVASA RAO : Will the Minister of TEXTILES be pleased to state :

(a) the success of Tex-Styles India, 2002 organised by Indian Trade Promotion Organisation;

(b) the prospects of Indian Textiles in overseas market; and

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

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) Tex-Styles India 2002 organised from 10-13 February 2002 at Pragati Maidan, New Delhi was a success. 293 companies participated in the fair of which 71% were repeat participants. The fair attracted more than 9,500 business visitors as against a figure of 8,500 for the previous year. The number of overseas visitors to the fair was 2,250 as against 2,077 for the previous year. Over 600 buying agents representing foreign companies based in India also visited the show. This was a 20% increase from last year's figure of 500. Overseas buyers came from as many as 75 countries as against last year's figure of 63 countries.

Business generated at the fair as reported by the participants this year worth Rs. 155 crore as against last year's figure of Rs. 145 crore. There was a significant increase in the number of buyers from some of the major markets like USA, France, Spain, Germany, Italy, Russia, Australia and the Latin American Region.

(b) Prospects of exports of Indian textiles to major markets of the world are quite encouraging. India's total exports of textiles have increased from US\$ 5069.7 million in 1991-92 to US\$ 12,097.6 million in 2000-2001, showing an annual growth of 10.15% during the period. Textile exports have increased to most of the major markets including USA, UK, UAE, France, Italy, Japan, Belgium, The Netherlands, Canada, Spain, Hong Kong and Russia. However, a declining trend has been noticed in the textile exports since the beginning of the year 2001, which is mainly due to the general slowdown in the economies of some of our major trading partners like the US; increased competition from countries like China, Bangladesh.

(c) Government have also been taking several steps from time to time to strengthen and promote textile exports including readymade garment. Some of the important initiatives are :-

(i) The Government has de-reserved the woven segment of readymade garment from the SSI sector. It has also announced the de-reservation of knitted segment in the Budget 2002-03.

(ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from

1.4.1999 to facilitate the modernisation and upgradation of this sector so that it can become more competitive in international trade.

- (iii) Weaving, processing and garment machinery, which are covered under TUFs, have been extended the facility of accelerated depreciation at the rate of 50%.
- (iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5%. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.
- (v) Foreign equity participation upto 100% through automatic route has been allowed in the textile sector with certain exceptions.
- (vi) Reduction in the cost of machinery through fiscal policy measures announced in the budget 2002-03.
- (vii) Technology Mission for Cotton has been launched for initiating focussed steps for boosting production, productivity and quality of cotton for manufacture and export of competitive downstream textile products.
- (viii) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.
- (ix) The import of a large number of garment machinery has been allowed under concessional custom duty.
- (x) To prepare and sensitise our textile and garment industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories.
- (xi) The National Textile Policy-2000 (NTxP-2000) has been announced to provide the policy

direction for orderly and sustained development and growth of the textile industry in a harmonious way and to give a thrust to textile exports.

Welfare of Scheduled Castes in Punjab

7789. SHRI BHAN SINGH BHAURA : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) the amount spent for the welfare of Scheduled Castes in Punjab under Ninth Five Year Plan in various Union Government schemes;

(b) whether the Government propose to enhance the allocation of funds during the Tenth Five Year Plan for this purpose;

(c) if so, the details of the proposals; and

(d) the fund allocated in present financial year and the amount released so far?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) During Ninth Five Year Plan, Rs. 61.17 crores has been released under different schemes of the Ministry of Social Justice & Empowerment for the welfare of Scheduled Castes in Punjab.

(b) to (d) Release of funds for welfare of Scheduled Castes in the Tenth Plan is expected to be higher than that in the Ninth Plan period. The allocations are not made statewide under these schemes but access of funds by the States depends on receipt of proposals and proper utilization of the funds released earlier. Rs. 14.51 lakhs has been released during the current financial year.

Trade between India and Pakistan

7790. SHRI GUNIPATI RAMAIAH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether trade between India and Pakistan has adversely affected because of the suspension of train services between the two countries;

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

(c) the steps being taken by the Government to ensure that trade between the two countries is not affected?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) and (b) In the wake of December 13 attack on Parliament, Government of India announced its decision, among others, to terminate the services of Samjhauta Express and the bus service between Delhi and Lahore w.e.f. 1st April, 2002. Although, Government's decision did not affect the movement of freight trains, Pakistan has been refusing to accept the interchange of freight trains between India and Pakistan from 1st January, 2002. Though it is too early to assess the effect, the suspension of freight trains between India and Pakistan is likely to impact the flow of bilateral trade.

(c) Government of India has continued to accord MFN status to Pakistan. Further, trade facilitation measures are being discussed in the fourth round of SAPTA negotiations. India and Pakistan participated in the trade fairs to project their export potential to the trading community in the two countries. Recently, India participated in the Third SAARC Trade Fair organised at Karachi on Sept. 1-6, 2001.

Vinayak Local Area Bank

7791. SHRI RAM MURTI SINGH VERMA : Will the Minister of FINANCE be pleased to state :

(a) whether depositors' money has been paid by Vinayak Local Area Bank, Sikar (Rajasthan) which has been closed by RBI; and

(b) if not, the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Reserve Bank of India (RBI) has reported that Vinayak Local Area Bank Ltd., Sikar, whose licence was cancelled on 16.1.2002, has been repaying the depositors' money. Further, a sum equivalent to the deposits etc. liability of the bank has been kept in a special Escrow Account with the State Bank of India, Sikar Branch and Vinayak Local

Area Bank Ltd. has been directed to repay all deposits to the depositors out of the balance held in the Escrow Account. The bank has confirmed that all the depositors have been fully paid in cash/bank cheques and sufficient balance as reserve is kept with SBI, Sikar for unclaimed amount.

Lease of Land to International Amusement Limited

7792. DR. RAMKRISHNA KUSMARIA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the present status regarding the lease of land given of the International Amusement Limited (Appu Ghar) in Pragati Maidan, New Delhi;

(b) whether the Government are incurring heavy revenue loss due to the present arrangement;

(c) if so, the details thereof and the action taken by the Government thereon;

(d) whether the Government have floated global tender in this regard;

(e) if so the number of parties involved/participated in floating of global tenders; and

(f) the time by which the Government are going to finalise the floating of global tender?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) The license agreement between India Trade Promotion Organisation (ITPO) and International Amusement Ltd. (IAL) expired on 13.11.99. ITPO has initiated eviction proceedings against IAL under Public Premises (Eviction of Unauthorised Occupants) Act.

(b) and (c) As per the license agreement which was in existence till 13.11.99, the license fee for the period 14.11.98 to 13.11.99 was Rs. 35.18 lakhs. In addition, the licensee was liable to pay the license fee for shops/kiosks and hoarding sites in the premises; besides 50% of the gate collection on entry fee to Appu Ghar. The amount of annual license fee payable by International Amusement Ltd., as per license agreement which was in existence till

13.11.99 is being recovered even for the period after 13.11.99 by retaining the collection on account of entry fee to Appu Ghar. The amount of license fee by the new licensee will be known only after completion of process of fresh licensing arrangement on the basis of Notice Inviting Tender (NIT). It is therefore, not possible at this stage to quantify the revenue loss due to present arrangement vis-a-vis the fresh arrangement.

(d) to (f) ITPO had floated a global tender inviting participation for developing and managing a state-of-the-art amusement park at Pragati Maidan. Ten parties submitted 'Pre-Qualification Tender Application Form'. Out of these, 5 parties have been short-listed for the next stage i.e. submission of technical and financial bids.

IMF Office in New Delhi

7793. DR. NITISH SENGUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether the IMF is still operating an office in New Delhi;

(b) if so, the reasons for allowing it to continue when India does not have any subsisting loan from the IMF; and

(c) the current activities of IMF office in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes Sir, the International Monetary Fund (IMF) has a Resident Representative in New Delhi.

(b) and (c) The Resident Representative facilitates information flow between the Government of India, the Reserve Bank of India and the IMF. He assists visiting IMF Missions and is available for clarifying IMF policy and procedures. Resident Representative offices of the IMF are established in member countries and are not necessarily connected with the existence of IMF-supported programmes.

Funds to Karnataka for Juvenile Justice

7794. SHRI G. MALLIKARJUNAPPA :
SHRI SHASHI KUMAR :

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether the State Government of Karnataka has submitted a proposal for release of funds under CSS (A programme for Juvenile Justice) to the Union Government;

(b) if so, whether the Government have released the money for the purpose;

(c) if not, the reasons therefor; and

(d) the time by which it is likely to be released?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) and (b) Yes, Sir, the State Government of Karnataka had sent a proposal requesting for release of the Central Share under the Centrally Sponsored Scheme, "A Programme for Juvenile Justice" and Rs. 49.44 lakhs was accordingly released to them during the financial year, 2001-02.

(c) and (d) Do not arise.

Steps to Some Handloom Workers

7795. SHRI A. NARENDRA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government are aware of the plight of the handloom weavers in the country particularly in those States where they are committing suicide due to poverty;

(b) if so, the number of cases of suicides reported during the last three years, State-wise;

(c) the number of workers in the textile industry rendered jobless during the last three years and the number out of those who are at the verge of starvation due to implementation of new economic policy;

(d) whether the Government have taken any decision for formulating/implementing any concrete steps to overcome the difficulties of the handloom weavers in the country; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) The Government is aware of some incidents of suicide by Handloom weavers, due to ill health, indebtedness, old age etc.

(b) During the last three years, twenty cases of suicide deaths of Handloom weavers have been reported and all those deaths have been in the State of Andhra Pradesh.

(c) Information in this respect is neither available nor feasible to be collected from any quarters.

(d) and (e) The Government of India has already been implementing the following schemes for the development and welfare of weavers in the handloom sector :

- (i) Deen Dayal Hathkargha Pratsahan Yojana.
- (ii) Scheme for Supply of yarn at Mill Gate Price.
- (iii) Setting up of Handloom Marketing Complexes.
- (iv) Scheme for Marketing of Handloom Products through Exhibitions and fairs.
- (v) Development of Exportable Products and their Marketing Scheme.
- (vi) Cooperative Training Programme.
- (vii) Research and Development.
- (viii) National Centre for Textile Design.
- (ix) Modified Decentralised Training Programme for Handloom Weavers.
- (x) Workshop-cum-Housing Scheme.
- (xi) Health Package Scheme for Handloom Weavers.
- (xii) Thrift Fund Scheme for Handloom Weavers.
- (xiii) Group Insurance Scheme for Handloom Weavers.
- (xiv) New Insurance Scheme for Handloom Weavers.

Trade Agreement with China

7796. SHRI T. GOVINDAN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Government have signed trade agreements with China during the last three years;

(b) if so, the details thereof;

(c) whether the agreements have been implemented in total; and

(d) if not, reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) No, Sir.

(b) to (d) Do not arise.

Assistance to Entrepreneurs of Assam

7797. SHRI M.K. SUBBA : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether a large number of applications for financial aid from Assam entrepreneurs belonging to Scheduled Castes and Scheduled Tribes, for aid from National Scheduled Castes Financial Development Corporation have been pending for months together;

(b) if so, the number of such applications pending for over 12 months, 6 months and 3 months respectively;

(c) the main hurdles in clearance of these applications; and

(d) the steps taken for expediting grant to these entrepreneurs?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) to (d) No, Sir. Only three applications are pending of which one is pending for over three months and one is pending for over six months and the 3rd is pending for over three months. The Assam State Development Corporation for Scheduled Castes Ltd. (ASCDC) even after reminders has not made available the information asked for by the National Scheduled Castes Financial Development Corporation (NSFDC) in respect of the applications pending for over six months and over twelve months. ASCDC has also not furnished the State Government guarantee to NSFDC which is required to enable NSFDC to release its share for financial assistance to the entrepreneurs from Assam.

[Translation]

Consumer Forums in Rajasthan

7798. SHRI KAILASH MEGHWAL : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) the financial and other assistance extended by the Union Government for the proper functioning of consumer forums, State-wise particularly in Rajasthan;

(b) the steps taken for ensuring the speedy disposal of pending cases in these consumer forums across the country;

(c) the guidelines provided for setting up consumer information centers alongwith the financial assistance provided, State-wise;

(d) the number of such information centers set up, State-wise; and

(e) the number of consumer awareness programmes conducted particularly in Rajasthan?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD) : (a) The One-time financial assistance given to States/UTs for strengthening the infrastructural facilities of the consumer forums including Rajasthan is given in the Statement-I.

(b) The following steps have been taken for the speedy disposal of pending cases in the consumer forums :-

- (i) to strengthen the infrastructure of the consumer disputes redressal agencies, a One-Time-Grant of Rs. 61.80 crores provided to the States/UTs by the Central Government;
- (ii) monitoring of the working of consumer disputes redressal agencies through the National Commission;
- (iii) States and Union Territories requested to take prompt steps to fill up vacant posts of President/ Member in the consumer disputes redressal agencies;

(iv) State and UT Governments requested from time to time to take steps for ensuring the smooth functioning of the consumer disputes redressal agencies; and

(v) amendment to the Consumer Protection Act, 1986 and the Rules framed thereunder to facilitate quicker disposal of cases by the redressal agencies.

(c) and (d) Under the District Consumer Information Centre (DCIC) Scheme, financial assistance is provided from Consumer Welfare Fund (CWF) for the setting up of a Consumer Information Centre in each district by the Zilla Parishad or suitable Voluntary Consumer Organization (VCO) recommended by the concerned State Government. Under the Scheme, assistance of Rupees five lakhs as one time grant is provided for the establishment of the Centre. The funds are disbursed in a phased manner over a period of 3 years. The financial assistance provided State-wise so far is at Statement-II.

Prior to introduction of the DCIC scheme, also, funds were provided from the CWF to VCOs for establishment of Consumer Information Centre. Details are given at Statement-III.

(e) 18 grants have been provided from the Consumer Welfare Fund to VCOs so far for undertaking consumer awareness programmes in Rajasthan.

Statement-I

Details of One-Time Financial Assistance Given to the States/UTs

State/UT	Amount of One-Time financial assistance given (Rs. in Lakhs)
1	2
A&N Island	70.0
Andhra Pradesh	270.0
Arunachal Pradesh	170.0
Assam	280.0
Bihar	440.0

1	2
Chandigarh Adm.	60.0
D&N Haveli	60.0
Daman & Diu	70.0
Delhi	70.0
Goa	70.0
Gujarat	250.0
Haryana	210.0
Himachal Pradesh	170.0
Jammu & Kashmir	70.0
Karnataka	250.0
Kerala	190.0
Lakshadweep	60.0
Madhya Pradesh	500.0
Maharashtra	360.0
Manipur	130.0
Meghalaya	120.0
Mizoram	80.0
Nagaland	120.0
Orissa	180.0
Pondicherry	60.0
Punjab	180.0
Rajasthan	350.0
Sikkim	90.0
Tamil Nadu	270.0
Tripura	80.0

1	2
Uttar Pradesh	680.0
West Bengal	220.0
Total	6180.0

Statement-II

The number of DCICs for which funds have been released

Sl. No.	Name of the State	No. of DCICs sanctioned/ released	Name of the District
1.	Andhra Pradesh	1	Guntur
2.	Chandigarh	1	Chandigarh
3.	Daman & Diu	1	Moti Daman
4.	Delhi	1	Kidwai Nagar
5.	Gujarat	2	Rajkot, Sabarakanta
6.	Haryana	1	Jhajjar
7.	Manipur	1	Chandel .
8.	Madhya Pradesh	3	Bhopal (2), Gwalior
9.	Maharashtra	1	Ahmednagar
10.	Mizoram	1	Aizawl
11.	Orissa	7	Mayurbhanj, Kandhamal, Bhadrak, Kalahandi, Balangir, Balasora, Angul
12.	Pondicherry	1	Karaikal
13.	Rajasthan	1	Chittorgarh
14.	Uttaranchal	2	Dehradun, Chamoli
15.	West Bengal	3	Midnapur, Bankur, Kolkata
16.	Sikkim	1	Gangtok (East)
Total		28	

Statement-III

The number of Consumer Information Centres for which funds were released prior to introduction of the DCIC scheme

S. No.	Name of the State	No. of CICs sanctioned/ released	Name of the District
1.	Tamil Nadu	1	Chennai
2.	Uttar Pradesh	1	Lucknow
3.	Karnataka	1	Bangalore
4.	West Bengal	1	Calcutta
5.	Rajasthan	1	Jaipur
6.	Orissa	1	Rourkela
7.	Gujarat	1	Bhavnagar
Total		7	

[English]

Export of Handlooms Goods

7799. SHRI ANANTA NAYAK : Will the Minister of TEXTILES be pleased to state :

(a) whether there is a vast scope to promote the

export of handloom goods from the country, particularly from Orissa; and

(b) if so, the incentive given to the traders and entrepreneurs in the Orissa State to increase the export of handlooms from that State during the last year?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) Yes, Sir.

(b) In order to give impetus to the export of handloom products from the country in general, a Scheme for Development of Exportable Products and their Marketing (DEPM) was introduced in the year 1996-97. The Scheme envisages provision of financial assistance to the handloom agencies like Handloom Apex/Primary Societies, Handloom Corporations, Association of Corporations and Apex Societies of Handlooms (ACASH), All India Handloom Fabrics Marketing Cooperative Society Ltd. (AIHFMCs), Central Cottage Industries Corporation of India Ltd. (CCIC), Handicrafts and Handlooms Exports Corporation of India Ltd. (HHEC), Handloom Export Promotion Council (HEPC) and Handloom Exporters sponsored by the HEPC etc. for building up, developing and marketing of exportable handloom products. The traders and private entrepreneurs are not eligible for applying directly for financial assistance under the scheme. A statement showing State-wise (which includes the State of Orissa) and year-wise central assistance provided under the scheme during the 9th Plan, including the last year i.e. the year 2001-02, is in the enclosed Statement.

Statement

Statewise & Yearwise Funds Provided to Various States/Organisations during 9th Plan under the DEPM Scheme

(Rs. in lakh)

Sl. No.	State	1997-98		1998-99		1999-2000		2000-01		2000-02		Total	
		Project	Amt.	Project	Amt.	Project	Amt.	Project	Amt.	Project	Amt.	Project	Amt.
1	2	5	6	7	8	9	10	11	12	13	14	15	16

Assistance Provided for DEPM Projects

1.	Andhra Pradesh	1	14.00	-	-	3	14.72	1	5.00	1	6.00	6	39.72
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1	2	5	6	7	8	9	10	11	12	13	14	15	16
2.	Assam	—	—	1	27.00	1	4.40	—	12.85	—	9.56	2	53.81
3.	Bihar	—	—	—	—	—	—	—	—	1	6.50	1	6.50
4.	Chhatisgarh	—	—	—	—	—	—	1	4.25	—	—	1	4.25
5.	Delhi	—	—	1	8.75	1	8.25	—	5.00	—	8.75	2	30.75
6.	Gujarat	1	12.50	—	—	—	—	—	—	—	—	1	12.50
7.	Haryana	—	—	—	—	—	—	1	15.50	2	8.50	3	24.00
8.	Himachal Pradesh	1	5.00	1	25.00	6	56.25	2	53.97	3	44.00	13	184.22
9.	J&K	1	8.75	—	—	1	2.64	—	—	—	—	2	11.39
10.	Karnataka	—	—	—	—	—	—	—	—	2	7.95	2	7.95
11.	Kerala	—	11.00	—	—	—	—	—	8.90	—	—	0	19.90
12.	Madhya Pradesh	2	27.75	—	—	1	7.50	—	—	1	16.25	4	51.50
13.	Mizoram	—	—	—	—	1	7.48	—	—	—	—	1	7.48
14.	Nagaland	—	—	—	—	—	—	2	12.25	3	18.00	5	30.25
15.	Orissa	—	—	—	—	1	7.50	—	—	—	—	1	7.50
16.	Punjab	—	—	—	—	2	13.25	1	4.25	1	28.50	4	46.00
17.	Tamilnadu	2	13.50	2	21.25	—	13.13	1	5.25	—	—	5	53.13
18.	Tripura	—	—	1	5.00	—	—	—	—	—	—	1	5.00
19.	U.P.	3	58.78	—	9.00	4	37.75	1	14.25	4	44.75	12	164.53
20.	West Bengal	5	33.50	1	8.35	1	36.00	3	16.25	—	4.20	10	98.30
21.	NHDC	—	—	—	—	1	8.75	1	27.25	—	—	2	36.00
22.	ISEPC	1	11.25	—	—	—	—	—	6.25	—	—	1	17.50
23.	AIHFMS	1	18.87	—	—	—	—	1	5.00	—	—	2	23.87
24.	NEHHDC	1	14.00	—	—	1	8.75	—	—	—	—	2	22.75
25.	CCIC	—	—	1	15.00	—	—	—	—	—	—	1	15.00
26.	HEPC	—	—	—	—	2	17.50	—	8.49	—	—	2	25.99
Total (A)		19	228.90	8	119.35	26	243.87	15	204.71	18	202.96	86	999.79

1	2	5	6	7	8	9	10	11	12	13	14	15	16
Others Assistance Provided for Participation In Internations Fairs/Exibitions etc.													
27. ACASH		-	75.00	-	78.59	-	103.33	-	99.12	-	66.23	-	422.27
28. HEPC		-	41.41	-	53.38	-	36.83	-	76.82	-	36.86	-	245.30
29. ITPO		-	35.61	-	-	-	-	-	-	-	-	-	35.61
30. HHEC		-	12.00	-	12.48	-	14.97	-	19.35	-	18.97	-	77.77
31. NIFT		-	76.00	-	67.14	-	1.00	-	-	-	-	-	144.14
33. CCIC		-	-	-	4.06	-	-	-	-	-	-	-	4.06
Total (B)		2	240.02	4	215.65	5	156.13	9	195.29	9	122.06	29	929.15
Grand Total (A+B)		21	468.92	12	335.00	31	400.00	24	400.00	27	325.02	115	1928.94

Note : The HEPC and NHDC have also been provided assistance worth Rs. 10.00 lakh and 12.00 lakh respectively for implementation of DEPM project in Orissa State.

Exemption of Customs Duty

7800. SHRI CHADA SURESH REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have arranged for exemptions of customs duty for sports equipment and exemption of Income Tax for contributions/donations made to Sports Authority of Andhra Pradesh to create and complete the sports infrastructure work for the National Games, 2002;

(b) if so, the details thereof; and

(c) if not, the action taken to arrange for exemptions to encourage sports?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) Exemption from customs duty leviable on sports goods and equipment imported for the purpose of national or international championships has been extended to include the import of such goods directly by the Sports Authorities of the States concerned or on certificates issued by such Authorities, as the case may be. The Sports Authority of Andhra Pradesh can avail of this benefit for the purpose of the National Games 2002. No decision has, however,

yet been taken on the matter regarding exemption of donations/contributions to State Sports Authorities from payment of income tax, on which views of the Ministry of Sports and Youth Affairs and Ministry of Law have been sought.

Levy on Foodgrain Procurement

7801. SHRI PRAKASH V. PATIL : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government have asked the State Governments to limit the levies on foodgrain procurement;

(b) if so, the extent to which it has been limited;

(c) whether the burden of these levies are charged on the Minimum Support Price and as such the Government have to bear the same; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) No, Sir.

(b) Does not arise.

(c) and (d) At present, the taxes/levies imposed by the State Governments on the Minimum Support Price are borne by the Central Government. The rate of taxation in different States is shown in the enclosed Statement.

Statement

The Rate of Taxes/Levies by the State Governments/UTs on Foodgrains for 2001-2002

					(In percent)
State	Purchase/ Sales Tax/ Trade Tax	Market Fee	Arthia Commission/ Dami	Other charges	Total
A.P.	4	1	—	RDC5	10
Assam	2	1	—	—	3
Bihar	4	1	—	—	5
Chandigarh	4	1	2	—	7
Delhi	4	2	2.5	Agri. Production fee 1 RDC/Oct.-0.08	9.58
Gujarat	—	0.5	—	—	0.5
Haryana	4	2	2.5	R.D. Cess 2	10.5
Karnataka	—	1	—	—	1
M.P.	—	2	—	Destitute tax @ 0.20 per Rs. 100	2.2
Maharashtra	—	1.05	—	—	1.05
Orissa	4	1	1	—	6
Pondicherry	—	—	—	—	—
Punjab	4	2	2.5	RDC 2	10.5
Rajasthan	4	1.6	2	—	7.6
U.P.	2	2.5	1.5	—	6
West Bengal	2	0.5	—	—	2.5
Uttaranchal	2	1	1.5	RDC 0.5	3.5
Chhattisgarh	—	2 (This includes 1% of RDC)	—	—	2

[Translation]

Training for Safe Storage of Foodgrains

7802. SHRIMATI JAS KAUR MEENA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government have formulated any scheme to impart training to the people for the safe storage of the foodgrains;

(b) if so, the details thereof;

(c) the funds spent on this scheme during 2001-2002, State-wise; and

(d) the benefits accrued by the public and the Government from this scheme?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) and (b) Government is operating the scheme of Save Grain Campaign (SGC) since 1969-70. The main thrust of the activities of this scheme is at educating the farmers through training, demonstration and publicity in the field of scientific storage of foodgrains at farm level. The scheme is implemented through network of 17 SGC Offices spread throughout the country, in close collaboration with the State Governments, Non Government Organisations (NGOs), etc.

(c) Information is in the enclosed statement.

(d) The activities of SGC have been evaluated on different occasions and it has been found that SGC has achieved a fair degree of success in meeting its major objectives for which it was formulated. The National Productivity Council in its study concluded that :

- (i) As a result of activities carried out by the scheme, the post harvest losses have been down from about 16 to about 4%. 42.7% of the farmers who were covered under the study have rated the scheme as excellent, 30.9% rated as very good and 18.1% as good;
- (ii) SGC has succeeded to a greater extent in covering the farmers for using improved storage structures for foodgrains;
- (iii) The usage of metal bins which was only 4.7% before the inception of SGC has gone up to 31.3% after its implementation. Thus, there is a clear shift from traditional storage structures to modern scientific storage structures for the storage of foodgrains; and
- (iv) Training activities conducted by SGC have been received extremely well by the farmers. 99.5% of the farmers have expressed full satisfaction about the relevance of such training imparted by SGC.

Statement

The State-wise amount spent during 2002-2002

Sl. No.	Save Grain Campaign Office	Area Covered		Amount spent during 2001-2002 (Rs. in lakhs)
		States	UT	
1	2	3	4	5
1.	Ahmedabad	Gujarat	Dadra & Nagar Haveli, Daman & Diu	31.24
2.	Bangalore	Karnataka	—	37.78
3.	Bhopal	Madhya Pradesh	—	32.25
4.	Bhubaneswar	Orissa	—	25.80

1	2	3	4	5
5.	Calcutta	West Bengal, Tripura & Sikkim	Andaman & Nicobar	34.15
6.	Chandigarh	Punjab, Himachal Pradesh and J&K	Chandigarh	33.06
7.	Guwahati	Assam, Manipur, Nagaland, Meghalay, Arunachal Pradesh & Mizoram	—	32.43
8.	Ghaziabad	U.P., Haryana & Delhi	—	36.06
9.	Hyderabad	Andhra Pradesh	—	27.74
10.	Jaipur	Rajasthan	—	33.03
11.	Lucknow	Uttar Pradesh	—	35.59
12.	Chennai	Tamil Nadu	Pondicherry	35.32
13.	Patna	Bihar & Jharkhand	—	27.72
14.	Pune	Maharashtra & Goa	—	34.69
15.	Thiruvananthapuram	Kerala	Lakshadweep	11.39
16.	Raipur	Chhattisgarh	—	17.36
17.	Varanasi	Uttar Pradesh	—	—
Total			—	500.75

[English]

LIC's New Policies

7803. SHRI A. BRAHMANAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether LIC has decided to come up with more bonus-oriented policies in comparison with guaranteed policies;

(b) if so, the reasons for LIC changing its earlier practice of policies offered to customers in India;

(c) whether customers will get a share of the annual profits of LIC through the new system; and

(d) if so, the details of such a profit sharing

arrangements between LIC and its policy-holders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The Life Insurance Corporation of India (LIC) has informed that they have not changed their present practice of policies offered to Policyholders and no decision has been taken by them to come up with more bonus-oriented policies.

(c) and (d) The existing profit-sharing arrangements enjoyed by policy holders would continue.

Revalidation of Unspent Amount

7804. SHRI G. PUTTA SWAMY GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether the State Government of Karnataka has submitted any proposal to the Union Government for revalidation of the unspent amount of Rs. 23 lakhs of Central share released during 2000-2001 to be utilized in the year 2001-2002 for the "Systematic Control of Livestock Disease of National Importance";

(b) if so, the details thereof; and

(c) the steps Government have taken to allow this revalidation to Karnataka for this important project?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir.

(b) and (c) Government of Karnataka submitted a proposal for revalidation of an unspent amount of Rs. 23 lakhs released during 2000-2001, for utilization during 2001-2002. The same was revalidated on 8.8.2001 and the amount has been since, utilized by the Karnataka Government.

Quality of Artificial Gems

7805. SHRI C. SREENIVASAN : Will the Minister for COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Indian artifical gems manufacturers are facing stiff competition from Chinese counter parts;

(b) whether Chinese gems manufacturers have outsmart our artifical gems manufacturers because of their superior quality;

(c) if so, the steps the Government have taken to see the quality of Indian artifical gems;

(d) the total foreign exchange earned by the Indian artifical gems manufacturers through export of artifical gems during the years 2000-2001 and 2001-2002, year-wise;

(e) whether due to the superior quality of Chinese artifical gems export orders of Indian Artifical gems exporters have been cancelled;

(f) if so, the details thereof; and

(g) the steps the Government have taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) Yes, Sir.

(b) and (c) Gem and Jewellery Export Promotion Council (GJEPC), an autonomous representative body of trade, sponsored by the Ministry of Commerce and Industry has reported that China has specialized in production of calibrated artificial diamonds/synthetic stones which meet the requirement of the trade. However, their quality is not very good. China has capability of supplying calibrated sizes in bulk quantity within a short period. Therefore, there is a need to improve our technological capabilities, our production methods of artificial diamonds/synthetic stones, calibration of stones etc. in association with the States.

(d) The total foreign exchange earned through the Indian artificial gems industry by the exports of artifical gems during the years 2000-2001 and 2001-2002, is as follows.

Year	US \$ in Million
2000-2001	1.63
2001-2002	2.00 (estimated)

(The above figures relate to only exports of synthetic stones in loose form, and do not include synthetic stones exported as studdings in precious metal jewellery)

(e) to (g) The Gem and Jewellery Export Promotion Council (GJEPC) has no data in this regard available with them.

Cooperative Agriculture and Rural Development Banks

7806. SHRI SUBODH MOHITE : Will the Minister of FINANCE be pleased to state :

(a) whether the NABARD has issued guidelines to improve functioning of cooperative Agriculture and Rural Development Banks in States;

(b) if so, the details thereof;

(c) whether the NABARD has examined the problems faced by Cooperative Agriculture and Rural Development banks in various States;

(d) if so, the details thereof; and

(e) the measures to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) National Bank for Agriculture and Rural Development (NABARD) had reported that it has issued guidelines and taken a number of initiatives for improving the working of the State Cooperative Agriculture and Rural Development Banks (SCARDBs). These measures include preparation of institution-specific development action plans (DAPs) aimed at attaining current/sustainable viability in the shortest possible time-frame and implementation and monitoring the same through the mechanism of Memorandum of Understanding (MoU). These guidelines were revised in July, 2000 for incorporating implementation of prudential norms (income recognition, asset classification and provisioning norms), etc. Guidelines were further issued in April 2001 for implementing one-time settlement scheme (OTS) to reduce the level of non-performing assets.

(c) to (e) Government has set up a task Force to study the cooperative credit system and suggest measures for its strengthening under the Chairmanship of Shri Jagdish Capoor. The Task Force found that SCARDBs were suffering from duality of control, lack of professional management, high intermediation cost, low profitability/losses, poor recovery, high levels of non-performing assets, etc. The Task Force recommended a four dimensional revitalization package encompassing financial, operational, organization and systematic aspects including recapitalisation of potentially viable cooperative credit institutions. Subsequently, a committee under the Chairmanship of Minister of State for Finance had been constituted for consideration of revitalization assistance to cooperative banks. Subsequent to the submission of the report by the Committee, Government has made a provision of Rs. 100 crore in the Budget for the year 2002-2003 for revitalising the cooperative banks including Agriculture and Rural Development Banks.

LIC Pension Scheme

7807. SHRI ARUN KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether due to mismanagement of LIC, their pension scheme policy (Table 122) has been stopped on December 24, 2001;

(b) whether the new pension policy scheme started again from February 1, 2002 come without notification of tax benefits;

(c) whether old policy holders of LIC's pension policy (Table 122) will get regular tax benefits under Income Tax Act, Section 80 (CCC) till the maturity of their policy; and

(d) if so, the reason behind stopping pension policy Table 122 before closing of financial year i.e. till March 31, 2002 in between on December 24, 2001?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The Life Insurance Corporation of India (LIC) has informed that with the fall in interest rates it may not be feasible to honor the contractual benefits with the existing premium rates for new policies. Therefore, they have withdrawn its Jeevan Suraksha Plan (Table No. 122) and introduced the new plan viz. New Jeevan Suraksha-I Plan.

(b) LIC has informed that the Central Board of Direct Taxes (CBDT) has confirmed that tax relief under Section 80 (CCC) is available under this new Plan i.e. under New Jeevan Suraksha-I Plan. However, the deduction under Section 80 (CCC) is not available to a Hindu Undivided Family.

(c) The existing policyholders of Jeevan Suraksha (Table No. 122) will continue to get tax benefits under the Section 80 (CCC) so long as these provisions under Income Tax Act, 1961 are in vogue.

(d) The reason is given in (a) above. The review of the existing plans, their continuation, introduction of new plan/withdrawal of the existing plan is a continuous process and does not depend on the beginning/closing of a financial year.

Ban on Export of Prawns from Andhra Pradesh

7808. SHRI Y.V. RAO : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Andhra Pradesh contributes about 40 percent in the total prawn export of the country;

(b) if so, the details thereof;

(c) whether now the exports of prawns from Andhra Pradesh has been stopped by the Government;

(d) if so, the reasons therefor; and

(e) the steps being taken for the early released of the ban imposed on Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) Yes, Sir.

(b) Andhra Pradesh leads in the shrimp Aquaculture production of the country by contributing about 50% of the cultured shrimp production in terms of quantity. The cultured shrimps contributed about 86% of the total shrimp export earnings. Thus, the contribution of Andhra Pradesh to overall shrimp export of the country works out about 40%.

(c) No, Sir.

(d) and (e) Do not arise.

Storage Capacity

7809. SHRI IQBAL AHMED SARADGI : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether grain output recorded 211 mt. tonnes during the year 2001-2002;

(b) if so, whether coarse cereals too have gone up impressively in production alongside staple grain rice and wheat;

(c) whether the Union Government have made sufficient provisions for storing the same;

(d) if so, the storage capacity at present; and

(e) the steps taken by the Government to see that all domestic production is fully kept in the godowns?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) and (b) Yes, Sir. The production of rice, wheat, coarse cereals and total foodgrains during 2001-2002 is expected to be

considerably higher than that in 2000-01 as may be seen from the table below:-

Crop/Group	Estimated Production	
	2000-01	2001-02*
Rice	84.87	90.75
Wheat	68.76	73.53
Coarse Cereals	31.62	33.10
Total Foodgrains	195.92	211.17

*As per the Advance Estimates on 5.4.2002.

(c) to (e) The Food Corporation of India (FCI) is the main agency which provides the capacity for storage of foodgrains. Besides constructing its own godowns, FCI also hires storage capacity from other sources such as the Central Warehousing Corporation (CWC), State Warehousing Corporations (SWCs), State Governments and private parties. The storage capacity of CWC and SWCs is also utilised for storing other notified commodities like fertilizers, seeds, etc. and industrial goods. Against the storage capacity of 568.80 lakh tonnes available for storing foodgrains with FCI, CWC, SWCs and other State agencies, the total stocks of foodgrains in Central Pool held by FCI and State agencies as on 1.4.2002 was 510.23 lakh MT.

During the 10th Five Year Plan (2002-2007), FCI plans to construct 6.78 lakh MT of storage capacity, out of which, in the current Annual Plan 2002-03, FCI plans to construct a storage capacity of 1.36 lakh MT. In order to augment storage capacity, FCI has given 7-years' guarantee of utilisation for the creation of 85.37 lakh MT additional storage capacity in the major procuring States. Under the National Storage Policy announced by the Government, 7-years' guarantee for 100% capacity utilisation has been provided to private sector for construction of godowns to the tune of 5.71 lakh MT on Build-Own-Operate (BOO) basis at the locations identified by FCI. The Government have also recently launched 'Gram Bhandaran Yojana' which will also supplement the storage capacity.

[Translation]

Compensation to Victims of Terrorism

7810. SHRI SUNDER LAL TIWARI : Will the Minister of FINANCE be pleased to state :

(a) whether the insurance companies do not provide any compensation to the claimants in the cases of deaths due to war, riots, murder or terrorists attack; and

(b) if so, the time by which the Government is likely to enact a law to include these eventualities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) While Personal Accident Policies issued by the general insurance companies cover death or disablement resulting solely and directly from an accident and do not exclude the risks of riot, murder or terrorist attack, no compensation is payable under these policies in respect of death, injury or disablement of the insured person directly or indirectly connected with or traceable to war. However, the Life Insurance Corporation of India does pay the basic sum insured plus bonus, if any, to the nominee of the policy holder if the policy holder's death is due to war, riot, murder or terrorist attack but the accident benefit, even if opted for, is not paid.

(b) The Question does not arise since losses arising due to war, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, etc. are not covered under accident insurance policies the world over.

[English]

Caste Certificate

7811. SHRI VILAS MUTTEMWAR : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether a number of cases have come to the notice of the Government about the bogus/fake caste certificate having been submitted to grab concessions in employment, admission in schools/colleges and also other benefits;

(b) whether there is no foolproof procedure laid down by the Government for proper verification of these certificates either at the issue stage or at the time of securing benefits under the rules;

(c) if so, whether the Government propose to appoint a Schedule Caste/Schedule Tribe Certificate scrutiny committee at various levels in the offices and educational institutions for verification of these certificates; and

(d) if so, the details of the scheme formulated in this regard?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) Yes, Sir,

(b) to (d) The work relating to issue and verification of caste certificates is done by the concerned State Government/Union Territory Administration. Further in regard to streamlining the procedure for issuance of a social status certificates, the Supreme Court in their judgment in Civil Appeal No. 5854 of 1994 in the case of Kuamri Madhuri Patil and another Vs. Additional Commissioner, Tribal Development and others, has laid down comprehensive procedure to be followed by all States/Union Territories in regard to issue of caste certificates, its scrutiny and approval, constitution of Committee of officers who have intimate knowledge of verification and issuance of social status certificates, constitution of vigilance cell etc., so as to prevent misuse of benefits as are available to Scheduled Castes persons, by unscrupulous elements. Government of India have also issued instructions/guidelines from time to time to State Governments/Union Territory Administrations for verification of caste certificates.

Transfer of Assets of NISST to ICAR

7812. SHRI RAMSHETH THAKUR :
SHRI A. VENKATESH NAIK :
SHRI ASHOK N. MOHOL :

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether there is any proposal under consideration of the Government to transfer the assets of National

Institute of Sugarcane and Sugar Technology to the Indian Council of Agriculture Research;

(b) whether the Central Monitoring Group has also recommended to transfer the assets of NISST to the Indian Council of Agriculture Research;

(c) if so, the present status of the proposal; and

(d) the steps taken by the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD) : (a) Yes, Sir.

(b) The Central Monitoring Group in its meeting held on 27th January, 2000, recommended as follows :

"As the National Institute of Sugarcane and Sugar Technology, Mau has not yet fully developed as an Institution, though a substantial investment has been made in infrastructure like buildings; the group strongly recommended the winding up of this Institution and transfer of the buildings alongwith land to any Central Agency which is looking for accommodation in this area. If no such central institution shows any interest, the Department should also explore the possibility of transferring the assets to the State Government. The specialized functions, if any, which are to be performed by this Institute could as well as be entrusted to the NSI, Kanpur which has a good track report in promotion of sugar technology and in training of personnel for eventual employment in sugar industry."

(c) and (d) Pursuant to the recommendations of the Central Monitoring Group, Government has taken up the matter of transfer of the assets of NISST to the Indian Council of Agricultural Research (ICAR) so that the assets created at NISST, Mau and the capital expenditure incurred on it can be fruitfully utilized by the Council which is a body under the Ministry of Agriculture and Cooperation. The Planning Commission has conveyed its no objection to ICAR for taking over and utilizing the assets and the infrastructure at NISST, Mau.

Trade between India and Indonesia

7813. SHRI P.R. KYNDIAH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the details of foreign trade, in terms of items and value, that has taken place between India and Indonesia during the last three years, year-wise;

(b) whether the percentage of exports to Indonesia from India is very low in comparison to import from that country;

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

(d) the action taken by the Government to boost the exports to Indonesia?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) The details of exports and imports from Indonesia of major commodities during the last three years is as under :

Exports		Value in US\$ million		
Sl. No.	Commodity	1999-2000	2000-01	2001-2002 (Apr.-Dec.)
1	2	3	4	5
1.	Oil meals	50.70	68.60	37.83
2.	Groundnut	43.49	36.54	16.42
3.	Dyes/Intmdtes & coar tar Chemicals	40.25	25.24	11.92
4.	Transport equipment	8.12	23.50	6.68

1	2	3	4	5
5.	Cotton yarn, fabrics, made-ups	16.96	22.36	16.19
6.	Inorganic/organic/agro chemicals	16.09	22.10	12.85
7.	Primary & semi-finished iron & steel	18.32	20.60	21.58
8.	Plastics & linoleum products	8.02	20.19	18.71
9.	Manmade yarn, fabrics, made-ups	10.04	17.32	19.76
10.	Machinery & instruments	13.51	16.79	11.18
11.	Drugs, pharmaceuticals & fine chemicals	13.70	14.44	10.30
12.	Sugar	0.04	2.39	68.76
Total including other commodities		324.71	399.24	353.67

Imports

1.	Vegetable oil fixed (edible)	311.05	388.61	288.67
2.	Coal, coke and briquettes, etc.	84.33	81.05	86.59
3.	Organic chemicals	55.49	50.24	35.90
4.	Wood & wood products	41.27	41.83	60.92
5.	Inorganic chemicals	9.96	41.35	21.97
6.	Manmade filament/spun yarn	31.05	31.18	28.21
7.	Electronic goods	23.01	27.95	13.96
8.	Pulp and waste paper	20.99	25.89	14.94
9.	Metalifers ores and metal scrap	31.57	20.76	52.28
10.	Dyeing, tanning, colouring materials	16.48	16.69	17.31
Total including other commodities		958.79	902.54	773.35

(b) and (c) The percentage of our exports is low in comparison to our imports from Indonesia mainly on account of import of crude palm oil and decline in our exports after ASEAN economic crises. Our exports have, however, started growing.

(d) Various steps to boost our exports include encouraging interactions between respective Chamber of Commerce and business houses, counter-trading arrangements, high level exchange of visits, organizing an India Promotion Month with leading department store chain for display and sale of quality Indian products.

[Translation]

Income Tax Raids on Construction Companies

7814. SHRI RAVINDRA KUMAR PANDEY : Will the Minister of FINANCE be pleased to state :

(a) the number of construction companies raided by the income tax authorities in the metropolitan cities particularly Delhi during the last three financial year for income tax evasions;

(b) the names of such companies alongwith the details of the cases registered against these companies; and

(c) the action taken by the Government against such companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) 38 construction companies have been searched by the Income Tax Department in four metropolitan cities during last three financial years.

(b) Name of these companies are given in the statement. Regarding details of cases registered against these companies, please refer to reply to part (c).

(c) In a search case, tax and interest is levied on undisclosed income to be assessed by making an assessment within two years from the end of the month in which search was concluded. Assets seized during the search are adjusted against tax/interest so levied. Cases are also processed for launching prosecution. Position of assessment in case of these companies are also given in enclosed statement.

Statement

Name of the Metropolitan City	Sl. No.	Name of Company	Position of assessment
1	2	3	4
Delhi	1.	M/s Ansal Group of Companies	Completed
	2.	M/s Vatika Group of Companies	Completed
	3.	M/s Uppal Housing (Pvt.) Ltd.	Completed
	4.	M/s J.M. Construction (Pvt.) Ltd.	Completed
	5.	M/s Malham Builders	Completed
	6.	M/s Ocean Constrution Industries (Pvt.) Ltd.	Completed
	7.	M/s Looking Age Construction (Pvt.) Ltd.	Completed
	8.	M/s RSA Associated (P) Ltd.	Pending
	9.	M/s Mahajan Group of Companies	Pending
	10.	M/s Taneja Builders	Pending
Mumbai	1.	M/s Hermitage Constructions	Completed
	2.	M/s Lavlesh Construction (P) Ltd.	Completed
	3.	M/s Lavlesh Classic Developers (P) Ltd.	Completed
	4.	M/s Ray Construction (P) Ltd.	Completed
	5.	Prakash Building Associates Ltd.	Completed
	6.	Tarmat Construction (P) Ltd.	Completed

1	2	3	4
	7.	M/s Dodsai Group	Pending
	8.	M/s Hindustan Construction	Pending
	9.	M/s Accord Builders (P) Ltd.	Pending
	10.	Raheja Group	Pending
	11.	Dheeraj Group	Pending
	12.	M/s S.K. Enterprises	Pending
	13.	M/s Ppatel Engineering Ltd.	Pending
	14.	M/s Evershine Builders (P) Ltd.	Pending
	15.	Vikas Complex	Pending
	16.	M/s Reliance Construction Co.	Pending
	17.	M/s Gammon India Ltd.	Pending
	18.	M/s Sheth Developers Ltd.	Pending
	19.	M/s Samartha Development Corporation	Pending
	20.	M/s S.N. Thakkar & Co.	Pending
	21.	M/s Michigan Engineering	Pending
	22.	Klassic Construction Co.	Pending
Chennai	1.	M/s TCV Engineering Ltd.	Pending
	2.	M/s Arihant Foundations & Housing Ltd.	Pending
Kolkata	1.	Simplex Projects (P) Ltd.	Completed
	2.	Modi Bhagat Group	Completed
	3.	M.L. Dalmia & Co. Ltd.	Pending
	4.	Marlin Group	Pending

[English]

expand trade relation with Russia;

Trade Relation with Russia

7815. SHRI S.D.N.R. WADIYAR : Will the Minister of
COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Government have a proposal to

(b) if so, the areas identified for the expansion of
trade between both the countries; and

(c) the target set for export and import in 2002-
2003?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) and (b) Yes, Sir. During the Eighth Session of the Indo-Russian Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation (IRIGC) held in New Delhi in February, 2002, it was noted that the present Indo-Russian bilateral trade does not reflect its true potential. In this regard, the Sides recognized the need to take necessary measures to ensure sustainable growth and continued diversification of mutual trade. Both Sides also agreed that all efforts need to be made both at governmental level and through increased interaction among the business circles to promote gradual transition to trade on the basis of normal commercial terms and in this context noted the progress made in developing co-operation between the Indian and Russian financial institutions. The need was also emphasized for actively promoting and further facilitating increased and direct interface between Indian and Russian entrepreneurs for evolving a better understanding of economic and commercial opportunities in the two countries.

(c) No targets for exports and imports in 2002-03 have been set.

NPA Norms for NBFCs

7816. SHRIMATI SHYAMA SINGH :
SHRI ADHIR CHOWDHARY :

Will the Minister of FINANCE be pleased to state :

(a) whether Reserve Bank of India has recently revised NPA norms for Non-Banking Financial Companies;

(b) if so, the details thereof;

(c) whether NBFCs are not properly implementing the various guidelines of RBI to check NPAs;

(d) if so, the details of such violations which came to the notice of the Government during each of the last three years; and

(e) the steps taken and proposed to be taken by the Government to ensure that NBFCs properly follow the guidelines of the RBI?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The Reserve Bank of India has recently revised the NPA norms for NBFCs in regard to Call and Demand Loans. The Bank has directed that NBFCs should stipulate the cut off date within which repayment of the loan will be demanded/called up by the NBFC. Such a policy should be duly approved by its Board of Directors. In case the cut off date is beyond one year, the sanctioning authority should record specific reasons therefor. Policy should also stipulate the rate of interest as also the rests at which the interest is payable. If a moratorium is granted for payment of interest, the reasons therefor should also be mentioned. Policy should contain stipulation of a cut off date not exceeding six months for review of performance of the loan. These directions have come into effect from 31st March, 2002. Thus RBI by the above stipulation has brought call and demand loans extended by NBFCs too under the ambit of its Prudential Norms Directions. NBFCs have been further advised that the concept of 'Past Due' contained in the Bank's Prudential Norms Directions stand abolished with effect from Balance Sheet as on March 31, 2003.

(c) and (d) The periodical inspection of NBFCs by the Reserve Bank of India revealed that some of them were not complying with the Prudential Norms Directions relating to NPAs, such as asset classification, income recognition and provisioning. These deficiencies are advised to the erring NBFCs through a supervisory letter and their compliance obtained. Action is initiated against the recalcitrant NBFCs by issuing show cause notice for cancellation of their Certificate of Registration.

(e) A comprehensive regulatory and supervisory mechanism for Non-Banking Financial Companies has been put in place by the Reserve Bank of India under the powers derived from the Reserve Bank of India Act, 1934 with a view to ensuring that they function on sound and healthy lines and to provide reasonable protection of the interest of depositors. This mechanism involves (a) on-site inspection of NBFCs, (b) off-site monitoring of NBFCs through periodic control returns from NBFCs using the state-of-art information technology, (c) an effective market intelligence work and (d) a system of submission of exception reports by auditors of NBFCs. The regulatory framework also includes, inter-alia, compulsory

registration, maintenance of liquid assets, transfer of at least 20% of net profit to reserve fund and empowering RBI to issue directions to NBFCs. RBI takes various actions against errant NBFCs for various defaults and contravention of provisions of the RBI Act and directions issued thereunder, Governemnt has also introduced the Financial Companies Regulation Bill, 2000 in the Lok Sabha on 13th December, 2000. The Bill has been referred to the Standing Committee on Finance by the Hon'ble Speaker, Lok Sabha.

[Translation]

Structural Changes in Banks

7817. SHRI BRAHMA NAND MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has recommended to effect structural changes in the management of banks;

(b) is so, the details thereof; and

(c) the names of the posts proposed to be created to chalk out operational strategy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

(b) and (c) Do not arise.

[English]

Revival of Public Sector Undertakaings In West Bengal

7818. SHRI PRIYA RANJAN DASMUNSI : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) the public sector units of West Bengal Govern-ment alongwith the Central Public Sector Undertakings which are under the consideration of BIFR for revival; and

(b) the present status including revival plans of these units, unit-wise?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) and (b) As per Public Enterprises Survey 2000-01, based upon location of registered offices, there are 37 Central Public Sector Undertakings (CPSUs) in West Bengal as on 31.3.2001, the period till which information is available. Out of these, 20 CPSUs are referred to BIFR till 31.12.2001 whose status is in the enclosed statement.

Statement

List of BIFR referred CPSUs with Status as on 31.12.2001

Sl.No.	Name of the CPSUs	Status
1	2	3
1.	Bengal Chemicals & Pharmaceuticals Ltd.	Revival Scheme Sanctioned
2.	Bengal Immunity Ltd.	Revival Scheme Sanctioned
3.	Bharat Brakes & Valves Ltd	Revival Scheme Sanctioned
4.	Bharat Ophthalmic Glass Ltd.	Draft Scheme Circulated
5.	Bharat Process & Mechanical Engineers Ltd.	Winding Up Recommended
6.	Biecco Lawrie Ltd.	Declared No Longer Sick
7.	Birds, Jute & Exports Ltd.	Under Enquiry

1	2	3
8.	Braithwaite & Co. Ltd.	Revival Scheme Sanctioned
9.	Burn Standard Company Ltd.	Failed & Reopened
10.	Cycle Corporation of India Ltd.	Winding Up Recommended
11.	Eastern Coalfields Ltd.	Under Enquiry
12.	Indian Iron & Steel Co. Ltd.	Winding Up Notice Issued
13.	Jessop & Co. Ltd.	Failed & Reopened
14.	Mining & Allied Machinery Corpn. Ltd.	Winding Up Recommended
15.	National Instruments Ltd.	Revival Scheme Sanctioned
16.	National Jute Manufactures Corporation Ltd.	Winding Up Notice Issued
17.	NTC (West Bengal, Assam, Bihar & Orissa) Ltd.	Draft Scheme Circulated
18.	RBL Ltd.	Winding Up Recommended
19.	Smith Stanistreet & Pharmaceuticals Ltd.	Winding Up Recommended
20.	Tyre Corporation of India Ltd.	Draft Scheme Circulated

VRS in Public Sector Enterprises of Orissa

7819. SHRI K.P. SINGH DEO : Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) the number of Central Public Sector Enterprises functioning in the State of Orissa;

(b) the performance of each of these PSEs during the last three years;

(c) whether some of the PSEs of Orissa have introduced Voluntary Retirement Scheme (VRS);

(d) if so, the number of employees who had taken VRS in these PSEs, PSE-wise; and

(e) the financial implications thereof due to the implementation of VRS?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES

(DR. VALLABHBHAI KATHIRIA) : (a) and (b) Details are given in the enclosed statement.

(c) to (e) The central PSUs are to implement voluntary retirement scheme as per the extant policy announced by the Government. Details about the number of employees who opted for VRS and amount paid on VR compensation are indicated in the enclosure.

There are five central Govt. PSUs, the registered office of which are in the state of Orissa. The details of their financial performance, number of VR optees and amount spent of repayment of VR compensation are as under :

		Profit/Loss in Rs. Crores		
Sl. No.	Name of the Enterprise	1998-99	1999-2000	2000-2001
1	2	3	4	5
1.	Mahanadi Coalfields Ltd.	406.31	376.55	393.58

1	2	3	4	5
2.	National Aluminium Co. Ltd.	248.25	511.53	655.83
3.	Orissa Drugs & Chemicals Ltd.	(-)0.94	(-)0.97	(-)0.97
4.	Paradeep Phosphated Ltd.*	(-)57.95	23.96	(-)141.03
5.	Utkal Ashok Hotel Corpn. Ltd.	(-)0.69	(-)1.03	(-)0.98

Sl. No.	Name of the Enterprise	No. of employees opted for VRS till 31.3.2001	Amount spent for payment of VR compensation (Rs. in crores)
1.	Mahanadi Coalfields Ltd.	81	1.60
2.	National Aluminium Co. Ltd.	28	0.69
3.	Orissa Drugs & Chemicals Ltd.	-	-
4.	Paradeep Phosphated Ltd.*	25	0.25
5.	Utkal Ashok Hotel Corpn. Ltd.	-	-

Notes : indicates nil

*The enterprise was disinvested on 28.2.2002 and is no more a PSU.

Employment Opportunities in Textile Sector

7820. SHRI BHARTRUHARI MAHTAB : Will the Minister of TEXTILES be pleased to state :

(a) whether regular census is being conducted of persons earning livelihood through textile industries directly or indirectly annually;

(b) if so, the details thereof;

(c) the number of persons working in the aforesaid industry before 1991 and as on 2001;

(d) whether there is decline in employment opportunities in textiles sector during the last ten years; and

(e) if so, the steps taken to increase employment opportunities in this sector?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) and (b) Ministry of Textiles have not been conducting any regular census.

(c) and (d) In the absence of a census the figures of people earning their livelihood directly or indirectly through textile industry are not available. However, the number of persons working in cotton/manmade fibre textile mill sector (Non SSI), decentralized powerloom sector, readymade garment sector, organized jute sector and man-made fibre and filament yarn sector are given below :-

Sector	Employment (in lakh)	
	31.12.1990	31.12.2001
Cotton/Manmade Fibre Textile Mill Sector (Non SSI)	11.08@	9.98
Cotton/Man-made Fibre Spinning SSI	00.24*	0.35
Decentralised Powerloom Sector	26.11	41.64
Readymade Garment Sector	30.00\$	35.40**
Organised Jute Sector		02.00
Decentralised Jute Sector		02.00
Man-made Fibre & Filament Yarn Sector	0.56#	0.74

@As on 31.3.1991.

*As on 31.3.1997.

#As on 31.3.1992.

\$As per the Working Group Report for Ninth Five Year Plan.

**As per the draft report of Working Group for Tenth Five Year Plan.

Besides the above, a large number of people are earning their livelihood working in handlooms, handicrafts, sericulture and wool sectors directly and indirectly, the number being estimated as 25 million people.

(e) Textiles being largely a labour intensive sector, the steps taken by the Government for growth and development of this sector provide increasing employment opportunities. Some of the steps taken recently are announcement of National Textile Policy aiming at developing a strong and vibrant industry capable of contributing increasingly to the provision of sustainable employment and economic growth; launching of Textile Upgradation Fund Scheme (TUFS) and Technology Mission on Cotton Schemes; de-reservation of garment industry from SSI; enhancement of the investment limit of knitwear sector; scheme for modernization of weaving sector under TUFS and various other schemes.

VRS Opted by the Officials

7821. SHRI SUKDEO PASWAN :

SHRI SADASHIVRAO DADOBA MANDLIK :

SHRI RAMDAS ATHAWALE :

Will the Minister of TEXTILES be pleased to state :

(a) the category-wise and post-wise number of

officials under his Ministry who have opted for the VRS during the last three years;

(b) the benefits extended to these officials;

(c) the number of officers/staff whose applications for VRS are as on date;

(d) whether the functioning of his Ministry has been affected owing to these retirements; and

(e) if so, the ameliorative steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) A statement is enclosed.

(b) The said Officials concerned were given all the benefits as per entitlement in accordance with the relevant provisions of Pension Rules, Leave Rules, Provident Fund Rules, Group Insurance Scheme Rules etc. applicable to them.

(c) Nil.

(d) No, Sir.

(e) Does not arise.

Statement

Sl. No.	Name of the Offices	Category-wise	Post-wise	Number of Officials
1	2	3	4	5
1.	Ministry of Textiles (proper)	Group 'A'	Principal Private Secretary	1
2.	DC (Handicrafts)	—	—	Nil
3.	O/o DC (Handlooms)	Group 'A'	Director	1
			Dy. Director	1
		Group 'B'	Office Superintendent	1
			Technical Asstt.	1
			Asstt. Director. Gr. II	1
		Group 'C'	Dy. Superintendent	1
			UDC	2
			Weaver Gr. I	1

1	2	3	4	5
			Driver	1
			Librarian	1
			Warper	1
			Dyer	1
			Master Printer	1
			Technician	1
			Block Printer	1
			Sr. Stenographer	1
		Group 'D'	Chowkidar	1
			Gallery Attendant	1
4.	O/o Textile Commissioner	Group 'A'	AD Gr. I	1
		Group 'B'	AD. Gr. II	1
		Group 'C'	Assistant	1
			UDC	3
		Group 'D'	Peon	1
			Daftary	1
5.	O/o Jute Commissioner	-	-	Nil
Total				28

Consumer Courts

7822. SHRI MOHAN RAWALE :
SHRI SHRINIWAS PATIL :

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government propose to create awareness among the masses regarding redressal of their grievances in Consumer Courts;

(b) if so, the details thereof;

(c) the number of consumer awareness campaigns conducted in this regard during the last year; and

(d) the steps taken by the Government for the early disposal of cases in Consumer Courts?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(SHRI V. SREENIVASA PRASAD) : (a) to (c) Continuous efforts are being made by the Government to make people aware of their rights as consumers and the forums available for redressal of their complaints against defective goods and deficient services. Awareness programmes through audio, video and print media have been undertaken by the Government throughout the country for this purpose. Consumer awareness programmes are also undertaken by Voluntary Consumer Organizations (VCOs) for which financial assistance is available from the Consumer Welfare Fund (CWF). 23 VCOs were provided assistance in the last year for undertaking consumer awareness programmes. Assistance was also sanctioned from the CWF in the last year for conducting awareness camps under the Jagriti Shivar Yozana in 41 districts of the country.

(d) A Bill to amend the consumer Protection Act, 1986 mainly aimed at facilitating quicker disposal of consumer complaints, enhancing the capability of redressal

agencies, strengthening them with more powers, streamlining the procedures and widening the scope of the Act to make it more functional and effective, was introduced in the Rajya Sabha on 26th April, 2001. The Bill has been passed by the Rajya Sabha on 11.3.2002.

Customs Duty at par with Other Country

7823. SHRI S. MURUGESAN : Will the Minister of FINANCE be pleased to state :

(a) whether any study has been conducted in regard to customs duty in force in other countries and duty as prevalent in our country;

(b) if so, the details thereof;

(c) whether the Government have any proposal to bring customs duty at par with other countries;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No such study has been conducted in the Ministry of Finance.

(b) Does not arise in view of answer to (a) above.

(c) to (e) The Government have decided that, by the year 2004-2005, there would be only two basic rates of customs duties, namely, 10% covering generally raw materials, intermediates and components and 20% covering generally final products. The existing rates would be adjusted and subsumed in these two basic rates with some exceptions on account of WTO bindings or higher tariffs for agricultural products.

[Translation]

Wholesale and Consumer Price Index

7824. SHRI JAIBHAN SINGH PAWAIYA : Will the Minister of FINANCE be pleased to state :

(a) the details of wholesale and consumer price index of essential commodities during the last four months;

(b) the weekly rate of inflation on point to point basis during the above period;

(c) the reasons for constant increase in price index;

(d) the impact of increase in prices of petrol and petroleum products on the rate of inflation; and

(e) the steps taken by the Government to check the price rise and to contain inflation rate?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The Wholesale Price Index (WPI) and the Consumer Price Index of Industrial Workers (CPI-IW) for the group of 30 essential commodities as also the inflation rates based on these indices during the last four months is indicated in table below.

WPI and the CPI-IW for essential commodities

2002	WPI (monthly average) (1993-94=100)		CPI-IW (1982=100)	
	Index	Inflation (%)	Index	Inflation (%)
January	163.9	1.61	438	3.79
February	166.2	3.55	436	4.31
March	168.3	4.21	438	4.53
April	168.6	2.99		

(b) WPI is computed on a weekly basis while the CPI-IW is brought out only on a monthly basis with a one month lag.

Annual point to point inflation rates based on these two indices during the last four months is indicated in the statement enclosed.

(c) The WPI has risen by only 1.4% during the entire fiscal 2001-02 and further by only 0.2% during April 2002. At the retail level, the CP-IW increased by 5.2% during 2001-02.

(d) Low international prices of crude oil during much of 2001-02 kept domestic energy prices low during the 2001-02. Though international prices firmed up after February 2002, price rise of energy products has been

contained so far even after the dismantling of the Administered Price mechanism from April 1, 2002. Price rise in the fuel group based on the Wholesale Price Index is currently only 3.9% and this group accounts for nearly 49% of the inflation rate.

(e) Government monitors continuously the demand and supply side causes of inflation very closely. Effective supply management policy ensures adequate availability of essential commodities of mass consumption at reasonable prices. The demand side measures to control inflationary pressures include bringing about greater fiscal discipline, and regular monitoring of monetised deficit and broad money (M3) growth.

Statement

Annual point to point Inflation Rates based on the WPI and CPI(IW)

2002	WPI (1993-94=100)		CPI (1982=100)	
	Index	Inflation (%)	Index	Inflation (%)
1	2	3	4	5
January			467	4.9
5-Jan-02	161.4	1.89		
12-Jan-02	161.3	1.57		
19-Jan-02	160.8	1.39		
26-Jan-02	160.6	1.26		
February			466	5.2
2-Feb-02	160.6	1.13		
9-Feb-02	160.6	1.20		
16-Feb-02	160.9	1.51		
23-Feb-02	161.0	1.58		
March			468	5.2
2-Mar-02	162.0	1.95		
3/9/2002*	161.5	1.51		

1	2	3	4	5
3/16/2002*	161.5	1.44		
3/23/2002*	161.6	1.44		
3/30/2002*	161.4	1.38		
April				
4/6/2002*	161.7	1.25		
4/13/2002*	162.0	12.5		
4/20/2002*	162.4	1.44		
4/27/2002*	162.5	1.58		

*Provisional

[English]

Camps for Physically and Mentally Challenged

7825. SHRI SADASHIVRAO DADOBA MANDLIK : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether the Union Government have introduced a new policy regarding holding of camps for all the National Institutes dealing with the physically and mentally challenged people;

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

(c) the criteria fixed by the Government for holding comprehensive camps in the remote areas of the country?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) to (c) Yes, Sir. All the National Institutes have been advised to organize composite camps for distribution of aids and appliances to all categories of disabled persons, thus covering larger number of disabled population in the camps. They also have been directed to ensure more participation of women with disabilities in the camps. The National Institutes have been directed to organize camps in all uncovered districts in a phased manner to cover the remote areas of the country also.

[Translation]

Investment in Auto-Industry

7826. SHRI RAMJI LAL SUMAN :
SHRI NAWAL KISHORE RAI :

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether there is a boom in the auto industries after the announcement of Industrial Policy under the process of liberalization in the country;

(b) if so, the total capital investment in this industry in 1990-91;

(c) the total capital investment in this industry during 2000-2001; and

(d) the total value of the items produced by this industry during both the aforesaid years?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) Yes, Sir. There was a considerable growth in the Auto Industry after the announcement of Industrial Policy under the process of liberalization in the country.

(b) to (d) As per information received from the Society of Indian Automobile Manufacturers (SIAM), the total capital investment and gross turnover for the automobile industry in 1993-94 was Rs. 6924 crore and Rs. 16,326 crore respectively. During the year 2000-2001, capital investment and gross turnover for the automotive industry as a whole was Rs. 49,500 crores and Rs. 81,600 crore respectively.

UK/US assistance to Gujarat and Maharashtra

7827. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of FINANCE be pleased to state :

(a) the sectors for which financial assistance is provided by USA and UK to Maharashtra and Gujarat states;

(b) the amount received from UK and USA during each of the last three years, state-wise and sector-wise;

(c) whether the USA and UK propose to increase this financial contribution to Maharashtra and Gujarat during the current financial year; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) UK has not provided any assistance to the states of Maharashtra and Gujarat. At present USA is providing financial assistance to the state of Maharashtra for implementing a Health Sector project viz. AVERT with a total grant of US\$ 41.5 million for a period of 7 years. Amount of assistance received from USAID during the last three years is as under :—

Year	US\$ Million
1999-2000	—
2000-2001	—
2001-2002	0.273

(c) Government have no information in this regard.

(d) Does not arise.

Closure of Asbestos Sheet Units

7828. SHRI SURESH RAMRAO JADHAV : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether Government propose to shut down Asbestos Sheets manufacturing units in India as it can cause lung cancer to the workers exposed to it;

(b) if so, the time by which the manufacturing of Asbestos Sheets is likely to be closed keeping in view the fact that it is already banned in most of the developed countries; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) to (c) There is no conclusive scientific evidence on the harmful effects of Asbestos. Further, the units manufacturing Asbestos Sheets have to follow various safety norms prescribed by Bureau of Indian Standards to protect

workers employed in these units against the harmful effects of Asbestos. Therefore, in the absence of any conclusive evidence to suggest that manufacture of Asbestos Sheets causes lung cancer amongst workers employed in these units, it is not desirable to ban production of these sheets.

Package for Promoting Investment In J&K

7829. SHRI NARESH PUGLIA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Department of Industrial Policy and Promotion has drawn up a comprehensive package for promoting investment in Jammu & Kashmir and for revival of existing industrial units in the State;

(b) if so, the salient features thereof; and

(c) the time by which said industrial package is likely to be announced?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) to (c) The Government have approved on 24th April 2002, a New Industrial Packages for attracting new investment in Jammu & Kashmir which inter-alia include excise exemptions, continuation of Income Tax exemption, Central Investment Subsidy and Interest Subsidy on working capital. Further, a special purpose vehicle on the lines of North East Development Finance Corporation has been considered.

The above concessions/incentives also being extended to the existing units on their substantial expansion.

[Translation]

Handicraft Fairs

7830. DR. ASHOK PATEL : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any scheme of the Government to organise handicraft fairs for promoting exports of such items manufactured in the country;

(b) if so, the details thereof; and

(c) the time by which this scheme is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) to (c) Yes, Sir. A scheme for providing financial assistance to Export Promotion Councils i.e. Export Promotion Council for Handicrafts (EPCH) and Carpet Export Promotion Council (CEPC) for organising International as well as National Fairs on handicrafts and carpet for promoting exports of these items was in operation during the 9th Five Year Plan. The same scheme shall be continued during the 10th Five Year Plan with the prior approval of Planning Commission.

[English]

Institution of Anti-Dumping against India by US

7831. PROF. UMMAREDDY VENKATESWARLU :
SHRI A. VENKATESH NAIK :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether US Government has instituted five cases of anti-dumping and anti-subsidy against Indian imports;

(b) if so, the details of such cases instituted by the US Government of Indian exports;

(c) the reaction of the Indian Government thereto;

(d) whether any negotiations has been held to resolve this issue; and

(e) if so, the details of steps proposed by Indian Government to ensure free passage for Indian exports to USA?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) and (b) Since 2001 USA initiated antidumping and countervailing duty investigations against India on imports of : certain hot-rolled cartoon steel flat products; oleoresin paprika; polyethylene terephthalate film, sheet and strip (PET); silico-manganese; cold rolled cartoon steel flat products and oil country tubular goods (OCTG).

(c) to (e) Government provided all support to Indian companies in responding to such investigations. The

procedures for conduct of Antidumping and Countervailing duty investigations are well established and have to be followed till the stage of final determination. The results can be appealed before the US Court of International Trade and the matter can be taken to the WTO Dispute Settlement Body. Depending on the merits of each case, such options are pursued to avoid to the extent possible, such Antidumping and Countervailing duties.

Discontinuing Procurement of Foodgrains from Farmers

7832. SHRI BASU DEB ACHARIA : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government have announced to stop the task of procuring the foodgrains from the farmers through the Food Corporation of India;

(b) if so, the reasons therefor;

(c) whether the Government have decided to offer any alternative Government agency for the procurement; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

Untied Aid

7833. SHRIMATI RENUKA CHOWDHURY : Will the Minister of FINANCE be pleased to state :

(a) whether at the recent meetings of World Bank and International Monetary Fund in Washington, Government has sought untied aid on soft terms;

(b) if so, how much such untied aid was sought; and

(c) the reaction of the World Bank thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) All World Bank and International Monetary Fund finance is untied. Hence, there was no need of seeking any untied aid through special request or proposal. General and mutual discussion were held on the possible areas of World Bank assistance, including soft loans from International Development Association (IDA).

[Translation]

White Paper on MNCs

7834. SHRI SHIVAJI MANE :
SHRI ASHOK N. MOHOL :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Government propose to bring out a white paper on functioning of the multinational companies operating in the country;

(b) if so, the details thereof;

(c) whether the Reserve Bank of India had conducted any study during the seventies and eighties on functioning of the multinational companies in the country;

(d) if so, the conclusions of the said study; and

(e) the reaction of the Government on the said conclusions?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) No, Sir.

(b) Does not arise.

(c) No specific study on the functioning of multinational companies in the country has been conducted by the Reserve Bank of India.

(d) and (e) Do not arise.

[English]

Terrorism Funding

7835. DR. A.D.K. JAYASEELAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have recently discussed with USA sharing financial information to crack down on terrorism funding;

(b) if so, the complete details thereof; and

(c) the merits and demerits of such an understanding with the USA?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) At the fourth meeting of the India-U.S. Joint working Group on counter-terrorism held on 21-22 January in New Delhi, the two sides had detailed discussions, inter alia, on financing of terrorist activities and agreed that the widespread use of informal channels for financial flows presents a special challenge to governments. They agreed that closer cooperation and strengthening mutual capabilities in cutting off financial flows to terrorist organizations will constitute an important component of their counter-terrorism cooperation.

(c) International cooperation to cut off financial assets and transfer of funds to terrorist organizations is an important component of the war against international terrorism. This is recognized by the UN Security Resolution 1373 of 28th September 2001. Government cooperates with the international community, including the United States, in accordance with domestic law and with due safeguards.

[Translation]

Social Awareness Programme in Maharashtra

7836. SHRI RAMDAS ATHAWALE : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether social awareness programmes are being run by his Ministry in Maharashtra;

(b) if so, the details thereof;

(c) the details of the areas selected for this purpose; and

(d) if so, the reasons therefor?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) and (b) The Ministry of Social Justice and Empowerment has always given due emphasis to spreading awareness about its activities, aims and objects as well as the schemes and programmes so as to ensure that the target groups viz. Scheduled Castes, OBCs, minorities, persons with disabilities, street children, old age persons, victims of drug abuse, etc. can take benefit of these schemes. This Ministry has been publicizing the schemes in all States including Maharashtra. Details of media awareness being carried out in Maharashtra are as follows :

- (1) Weekly radio programme "Sanwartin Jayen Jeevan Ki Rahein" is being broadcast in Maharashtra through 3 Commercial Broadcasting Stations (CBS) and 11 local stations.
- (2) 25 films produced by the Ministry on various relevant subjects have been dubbed in Marathi and have been given to Doordarshan for local telecast.
- (3) Specific occasion related advertisements have been published in Maharashtra in local newspapers.
- (4) Compendium of schemes have been published and sent to all MPs in the State.

(c) and (d) The target groups of this Ministry are spread across the country and in all the areas. Therefore, the publicity of schemes is undertaken in general on all India basis.

[English]

Changes in Production Pattern of NTC

7837. SHRI DALPAT SINGH PARSTE : Will the Minister of TEXTILES be pleased to state :

(a) the fresh steps have been taken by the National Textile Corporation to cut down its losses and increase its profits;

(b) whether the NTC guidelines aim at gradual change in the pattern of production by going into the production of fine cloth;

(c) if so, the details thereof; and

(d) the number of weak mills of NTC closed down alongwith their names?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) Closing down chronic loss-making unviable mills, restriction loss-sustaining operations, modernisation of the viable mills, cutting down administrative costs and introduction of new product line are the steps taken by NTC to reduce losses.

(b) and (c) As a part of rehabilitation plan approved for 6 out of the 8 subsidiaries of NTC, product mix has been determined on the basis of present and expected market conditions and the status of the machinery with each mill.

(d) 11 unviable non-functioning mills were closed down after giving VRS to all the employees. The list of such mills is enclosed as statement.

Statement

List of 11 non-functioning unviable mills closed as a part of rehabilitation plans for NTC

Sl.No.	Name of the Mill
1.	Natraj Spg. Mills
2.	Adoni Cotton Mills
3.	Netha Spg. & Wvg. Mills
4.	M.S.K., Mills
5.	Rajkot Textiles
6.	Petlad Text. Mills
7.	Kohinoor No. 3
8.	Edward Mills
9.	Kohinoor No. 2
10.	Om Parasakti Mills
11.	Krishnaveni Mills

Weavers Service Centres

7838. SHRI GANTA SREENIVASA RAO : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have proposal to equip the weavers service centres with the latest equipment in the country; and

(b) if so, the details of the equipments that Government propose to provide to the weavers service centres in the country?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) Yes, Sir.

(b) The Government has decided to provide the Weavers' Service Centres with Personal Computers and Computer Aided Design Systems. Out of the existing 24 Weavers' Service Centres, 18 Centres have already been provided with Computer Aided Design Systems and 20 Centres out of the existing 24, have been provided with Personal Computers.

C&AG Observation

7839. SHRI RAMJEE MANJHI : Will the Minister of FINANCE be pleased to state :

(a) whether the directorate of income-tax (systems) in collusion with TISL procured under configured hardware worth Rs. 1990 lakhs in July, 1994 for computerising the income-tax department and rejected the bids of others at the technical evaluation stage itself as has been brought out by the C&AG in its Report 12 of 2000 on page 81;

(b) if so, the manner in which the Government ensure that it had obtained hardwares at the best price;

(c) the details/configuration of hardwares purchased indicating brand name and what was the rate of these hardwares in the open market;

(d) whether the marketing expenses, overhead recovery of local service charges are not the items to be accepted under Government purchases; and

(e) if so, the reasons for paying Rs. 208.64 lakh to TISL for the said services?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir. The correct facts are that none of the bidders offered a colutin fulfilling the required conditions of response time and transactions per second. Therefore, as per previously settled procedure, the two solutions with best response time were taken up for commercial evaluation. Both of these were from M/s TISL. The solution with the lower price out of these two, was accepted, after approval of the respective authorities/committees as per established procedure.

(b) Best price for the hardware was ensured by selecting the solution with lower price out of the two solutions giving best response time.

(c) Since the purchases were made through open tender process, the lowest price offered out of the technically qualified solutions, was aken as market price.

(d) and (e) The lowest commercial offer out of the two best technical solutions was accepted. No negotiations were made with M/s TISL. It is however correct that the price offered by M/s TISL included marketing expenses, overhead recovery and local service charges. The overall price quoted for the solution with lowest price was accepted. C&AG have also not pointed out any rule under which these items were required to be excluded from the final price.

Evasion of Excise Duty

7840. SHRI PRABHUNATH SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the consumer industry in general and textile and iron and steel industry in particular resort to evasion of excise duty by misclassification of exciseable goods, misuse of certain exemption notifications etc. to the tune of crores of rupees every year;

(b) if so, how much loss has been suffered by the Government during the last three years and what action has been taken against the tax evaders; and

(c) the measures the Government have taken to check the misuse of notifications and evasion of excise duty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Yes, Sir. The amount of excise duty evasion detected during last three years in respect of consumer industry,

textiles and iron and steel industries is given below. Action is taken to penalise the tax evaders. Besides in some cases the evaders are prosecuted also.

(Amount in Rupees Crores)

Sl.No.	Industry	1999-2000	2000-2001	2001-2002
1.	Consumer	360.15	345.82	582.61
2.	Textiles	153.91	119.95	289.01
3.	Iron and Steel	727.39	171.39	324.31

(c) The notifications are reviewed periodically to plug the loopholes, if any, and duty evasion is checked through collection of intelligence, investigation and action taken against tax evaders.

Export of Woollen Textile from Punjab

7841. SHRI BHAN SINGH BHAURA : Will the Minister of TEXTILES be pleased to state :

(a) the share of Punjab in total export of Indian woollen textiles both in percentage and value-wise for the last three years;

(b) whether the share of Punjab is declining over the years; and

(c) if so, he details thereof and the corrective measures taken by the Government to arrest the fall?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) and (b) State-wise date for wollen exports is not maintained centrally. The overall exports of woollen items excluding carpets from the entire country, including Punjab, have shown a decline of 18% during the priod April-December, 2001, over the corresponding period last year. The woollen exports for the last three years are as follows :-

(Rs. crore)

Item	1999-2000	2000-2001	2001-2002 (Apr-Dec' 01)
Woollens (excluding carpets)	982.18	1665.84	1115.44

Source : DGCI&S, Calcutta.

(c) The Government has taken various steps to boost the export of textiles including woollen textiles. The steps include Technology Upgradation Fund scheme for modernization of the sector to boost its competitiveness in international trade, de-reservation of the garment sector, increase in limits of investment for small scale units in knitwear sector, the Integrated Apparel Parks scheme, the Textile Centres Infrastructure Development Scheme, development of new blends and products to meet greater overseas demands, creation of design bank by National Institute of Fashion Technology, rationalization of tariff structure on machinery and raw materials, etc.

Setting up of Banks in SEZ's

7842. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are going to allow foreign banks to set up Overseas Banking Units (OBUs) in the designated Special Economic Zones (SEZs) to enable the export production units to access cost effective debt equity and working capital funds;

(b) if so, whether earlier the Government have rejected this proposal for setting up financial centres in SEZs;

(c) if so, the main idea behind rejection of this proposal;

(d) whether RBI has fixed the norms of setting up OBUs;

(e) if so, the details thereof; and

(f) the nature of services likely to be provided by these OBUs and to what extent the export is likely to be helped by OBUs in SEZs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (f) According to Exim Policy 2002-2007, Offshore Banking Units will be permitted to be set up in Special Economic Zones. Reserve Bank of India (RBI) is in the process of framing guidelines for setting up such units.

Spices Board

7843. DR. C. KRISHNAN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the main functions of the Spices Board along with the names and other particulars of the members of the board and the date on which it was last reconstituted;

(b) the date on which its term would come to an end;

(c) whether cardamom planters/farmers have brought to the notice of the concerned about the illegal deductions from the payment to farmers from the auction amount dues being paid by Spices Board at its acution centre Vandanmedu, Kerala.

(d) if so, the nature of the complaint/allegations against the Board and its members;

(e) whether any enquiry/probe has been ordered; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) and (b) The main functions of the Spices Board include export development of all the spices listed in the Schedule of Spices Board Act, 1986 and over all development of Cardamom (Small and Large). Spices Board was last re-constituted on 16th April, 1999 for a period of 3 years. The term of the Board has come to an end on 15th April, 2002. The names and other particulars of the members of last Board excluding the official members are in the enclosed statement.

(c) to (f) Spices Board, on receipt of representations, have issued instructions to all auctioneers not to collect such contributions from unwilling growers failing which suitable action would be initiated in terms of the existing rules and regulations.

Statement

1.	Chairman, Spices Board	Chairman
2.	Shri Ashok Argal, M.P., Lok Sabha	Member
3.	Shri K. Muraleedharan, M.P., Lok Sabha	Member

4.	Shri S. Agniraj, MP, Rajya Sabha	Member
5.	Director, Incharge of Export Promotion (Agriculture) Division, Department of Commerce	Official Member
6.	Horticulture Commissioner Ministry of Agriculture, New Delhi	Official Member
7.	Director, Finance Division, Deptt of Commerce	Official Member
8.	Shri B.K. Chandrashekar, Bangalore	Grower
9.	Shri N. Murugesan, Tamil Nadu	Grower
10.	Shri C. Gopinath, Karnataka	Grower
11.	Shri P.C. Mathew, Kerala	Grower
12.	Shri D. Eshwar Rao, Andhra Pradesh	Grower
13.	Shri C.N. Natraj, Bangalore	Grower
14.	Shri Shankar Gouda Patil, Karanataka	Grower
15.	Shri R.K. Menon, Tata Tea Limited, Cochin	Exporter
16.	Shri S.P.G.R. Nithyanandan, SPGR Nadar & Sons, Tamil Nadu	Exporter
17.	Dr. A.G. Mathew, Plants Lipid Ltd., Kerala	Exporter
18.	Shri S. Mariwala, Kancor Flavours Ltd., Kerala	Exporter
19.	Shri A.P. Murugan, Paprika Oleoresins (India) Ltd., Tamil Nadu	Exporter
20.	Shri M.S.A. Kumar, AVT McCormick Ingredients Ltd., Cochin	Exporter
21.	Shri Chandan Jain, Sukanraj Dhanraj & Sons, Mumbai	Exporter
22.	Shri Ravinder Kumar, MM Punjlaji & Co., Mumbai	Exporter
23.	Shri Kishor Shamji, Kishore Spice Co., Kerala	Exporter

24.	Shri Rakesh A. Pater, Ramdev Exports, Ahmedabad	Exporter
25.	Secretary to the Government of Karnataka, Agriculture & Horticulture Depoartment, Bangalore	Official Member
26.	Secretary to the Govt. of Maharashtra, Agriculture, Animal Husbandary Development & Fisheries Department, Mumbai	Official Member
27.	Principal Secretary to the Govt. of Gujarat, Department of Agriculture & Cooperation, Gandhinagar	Official Member
28.	Director (Agriculture) Planning Commisssin, New Delhi	Official Member
29.	Director, Indian Institute of Packaging, Mumbai	Official Member
30.	Director, Central Food Technological Research Institute, Mysore	Official Member
31.	Director, National Research Centre for Spices, Calicut	Official Member

Separate Industrial Policies for States

7844. SHRI A. VENKATESH NAIK : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether there is a demand for creation of separate Industrial Policy for each and every State on the lines of North Eastern Region;

(b) if so, the details thereof;

(c) whether proposal to announce separate Industrial Policy for every backward States is under consideration;

(d) if so, the time by which final decision in this regard is likely to be taken; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) to (e) No, Sir. Does not arise. However, separate concessional/ incentives package for the industrial development of

special category states are being considered on the lines of North East Industrial Policy.

**Import of Capital Equipments for
Power Generation**

7845. SHRI C.N. SINGH :

SHRI SUKDEO PASWAN :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any proposal from the Ministry of Power in regard to seeking waiver to customs duty on import of capital equipments for all power generation products for a period of three years;

(b) if so, the detail thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Yes, Sir. In the pre-budget proposals, the Ministry of Power had proposed that import of all goods for power generation irrespective of the source of funding may carry zero duty for a period of three years.

(c) The proposal to exempt all imports for any power project from customs duty was examined during the budget exercise for the year 2002-2003, but not found acceptable.

Transparency in Stock Exchange

7846. SHRI A. NARENDRA : Will the Minister of FINANCE be pleased to state :

(a) whether SEBI has directed presidents and vice presidents of 11 regional bourses to step down from top management posts, as part of its efforts to impart transparency and prevent market manipulations; and

(b) if so, the details of the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The Hon'ble Finance Minister had announced in the Parliament on 13.3.2001 that as a measure to improve institutional mechanisms and trading practices in the stock markets, corporatisation of stock exchanges by which ownership, management and trading membership would be segregated from each other, would be undertaken.

In accordance with the above policy announcement, the Securities and Exchange Board of India (SEBI) discussed the issue of demutualisation with the stock exchanges from time to time and SEBI Board, in its meeting dated 28.12.2001 decided that no broker member of the stock exchanges shall be an office bearer of any exchange i.e., hold the position of President, Vice President, Treasurer etc. As this required amendments to the Rules, Articles etc. of the stock exchanges, SEBI issued a directive on January 10, 2002 to stock exchanges under Section 8 of the Securities Contracts (Regulation) Act, 1956 to amend their rules within a period of two months from the date of the order.

The order was not applicable on three stock exchanges namely, NSE, OTCEI and Inter-Connected Stock Exchanges. Five stock exchanges namely, Magadh Stock Exchange, Saurashtra Kutch Stock Exchange, Coimbatore Stock Exchange, Delhi Stock Exchange and Ludhiana Stock Exchange made the necessary amendment in their Articles and Rules.

In case of 11 stock exchanges, namely Bangalore Stock Exchange, Cochin Stock Exchange, Pune Stock Exchange, Vadodara Stock Exchange, Gauhati Stock Exchange, Bhubaneshwar Stock Exchange, Madras Stock Exchange, Mangalore Stock Exchange, Ahmedabad Stock Exchange, Hyderabad Stock Exchange and Jaipur Stock Exchange which failed to amend their Articles or Rules to comply with the above referred SEBI Directive, the Articles or Rules of these exchanges were amended by SEBI through a notification.

Regarding, three stock exchanges namely, Calcutta Stock Exchange, Uttar Pradesh Stock Exchange and Madhya Pradesh Stock Exchange which have also not complied with SEBI's above referred Directive, SEBI has initiated the process of amending their Articles or Rules through a notification.

World Bank Loan to Karnataka

7847. SHRI G. MALLIKARJUNAPPA :

SHRI IQBAL AHMED SARADGI :

SHRI SHASHI KUMAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Karnataka is likely to get Rs. 5000 crores over the next few years from the World Bank to undertake various projects in the State;

(b) if so, the main projects on which this amount is likely to be utilized; and

(c) the terms and conditions of the loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) During the years 2001-02 and 2002-03, following projects worth US\$ 1160 million (approx. Rs. 5500 crores) have been posed, negotiated or signed with the World Bank for Karnataka :

1. Karnataka Economic Restructuring Loan-I—US\$ 150 million (IDA credit + IBRD Loan)
2. Karnataka Economic Restructuring Loan-II—US\$ 100 million (IDA credit + IBRD Loan)
3. Karnataka State Highways Project—US\$ 360 million (IBRD Loan)
4. Karnataka Comprehensive Watershed Development Project—US\$ 100 million (IDA credit)
5. Second Karnataka Rural Water Supply and Sanitation Project—US\$ 151 million (IDA credit)
6. Karnataka Community Based Tank Management Project—US\$ 99 million (IDA credit)
7. Capacity Building of the Urban Local Bodies—US\$ 200 million (IDA credit)

(c) The IDA credit is repayable in 35 years including 10 years grace period. The IBRD loan is payable in 20 years, including 5 years of grace and annuity principal repayment at six month LIBOR for USD plus variable spread for Variable-Rate Single Currency Loans.

Agency to Monitor Financial Transactions

7848. SHRI A. BRAHMANAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have set up an Apex

Intelligence Agency to monitor all external and internal financial transactions in the country;

(b) if so, whether any other existing agency will be merged with this new Apex Economic Intelligence Agency;

(c) if so, the details of agencies which will be merged or nullified in the new establishment;

(d) the objectives of setting up such a new agency; and

(e) the details of the location and other structural aspects of this new agency?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

(b) to (e) Do not arise.

Special 301 Watch List

7849. SHRI G. PUTTA SWAMY GOWDA :
SHRI C. SREENIVASAN :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether United States of America has again put India on "Special 301" Watch List;

(b) if so, the details thereof and its impact on our economy;

(c) the reasons for taking this step by USA;

(d) the reaction of Indian Government thereto;

(e) whether both the countries have failed to resolve the concerns arising out of non-compliance of TRIPS (Trade Related Intellectual Property Rights) agreement;

(f) if so, the reasons therefor; and

(g) the action the Government have taken in this regard keeping the interests of the country uppermost?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP

RUDY) : (a) to (c) As per Annual Special 301 Report for 2002, released by the United States Trade Representative (USTR), India has been retained in the Priority Watch List along with 14 other countries. India is being kept under this category since 1995. Under Special 301, USTR lists countries as 'priority foreign country', 'priority watch list' and 'watch list'. It is only for countries identified as 'priority foreign country' that the USTR is obliged to initiate an investigation.

(d) to (g) India has already undertaken appropriate initiatives and enacted/amended the under mentioned legislation related to protection of Intellectual Property Rights to meet its obligations under the TRIPS Agreement :

1. The Geographical Indications (Registration and Protection) Act, 1999;
2. The Trade Marks Act, 1999;
3. The Designs Act, 2000;
4. The Copyright Act, 2000;
5. The Semiconductor Integrated Circuits Layout-Designs Act, 2000; and
6. The Protection of Plant Varieties and Farmers' Right Act, 2001.

Further, in order to amend the Patents Act, 1970, Patent (Second Amendment) Bill has been passed in the Rajya Sabha on the 9th May, 2002.

World Bank Aided Projects

7850. SHRI C. SREENIVASAN :
SHRI AMBAREESHA :

Will the Minister of FINANCE be pleased to state :

(a) the projects which have been cleared/approved by the World Bank during last year for financial assistance, State-wise and sector-wise;

(b) the details of projects from different States and particularly from Tamil Nadu which have been submitted to the World Bank and are yet to be cleared/approved;

(c) the details of the projects which have been sent back by the World Bank for want of necessary details; and

(d) the steps the Government have taken to get the remaining projects cleared/approved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) A statement is enclosed.

(b) The projects posed to the World Bank in the financial year April 2001-March 2002 are as under :-

S.No.	State	Name of the Project
1.	Andhra Pradesh	Andhra Pradesh Rural Poverty Reduction Project
2.	Assam	Assam Rural Infrastructure and Agricultural Services Project (2)
3.	Chhattisgarh	Chhattisgarh Poverty Reduction Programme
4.	Gujarat	Gujarat Earthquake Reconstruction Program (2)
5.	Jharkhand	Jharkhand Forestry Project
6.	Maharashtra	Maharashtra Water Services Improvement Project
7.	Tripura	Integrated Forestry Development Project

No project from the state of Tamil Nadu has been posed to the World Bank during the financial year 2001-02.

(c) The World Bank has not sent back any of the projects submitted to it during financial year 2001-02.

(d) The projects in pipeline follow the cycle of project identification, preparation, appraisal and negotiation. Government of India interacts with the World Bank in this process closely.

Statement*Project approved by the World Bank during the Financial Year 2001-02*

(data provisional)

(in US \$ million)

Sl. No.	State	Sector	Project Name	Date of Approval	Amount of Assistance
1.	Andhra Pradesh	Economic Reform	Andhra Pradesh Economic Reform Program Project	14/03/02	250.00
2.	Karnataka	Agriculture	Karnataka Watershed Development Project	21/06/01	100.40
3.	Karnataka	Economic Reform	Karnataka Economic Restructuring Program Project	21/06/01	150.00
4.	Karnataka	Economic Reform	Karnataka Economic Restructuring Program (2) Project	14/03/02	100.00
5.	Karnataka	Transportation	Karnataka State Highways Improvement Project	24/05/01	360.00
6.	Karnataka	Water Supply	Karnataka Rural Water Supply and Sanitation Project (2)	18/12/01	151.60
7.	Kerala	Transportation	Kerala State Transport Project	14/03/02	255.00
8.	Mizoram	Transportation	Mizoram State Roads Project	14/03/02	60.00
9.	Rajasthan	Agriculture	Rajasthan Water Sector Restructuring Project	19/02/02	140.00
10.	Rajasthan	Education	Rajasthan District Primary Education Project (2)	21/06/01	74.40
11.	Uttar Pradesh	Agriculture	Uttar Pradesh Water Sector Restructuring Project	19/02/02	149.20
12.	Uttar Pradesh and Bihar	Transportation	Grand Trunk Road Improvement Project	21/06/01	589.00
13.	Not state specific	Electric Energy	Powergrid System Development Project (2)	03/05/01	450.00

Production of Salt

(a) whether the production of salt has registered a drastic fall during 2001;

7851. SHRI P.R. KYNDIAH :

(b) if so, the reasons therefor;

SHRI RAMSHETH THAKUR :

(c) the actual production of salt in the country during each of the last three years, quality-wise and State-wise; and

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(d) the action taken or proposed to be taken for boosting the production of different varieties of salt in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) and (b) The production of the common salt registered 9% decrease during the year 2001 as compared to the production in the year 2000. This decrease in the production is mainly on account of devastating earthquake in Gujarat in January, 2001 in which many salt works were damaged. As Gujarat contributes about 70% of the salt produced in the country, its effect is reflected in the overall production of the salt in the country.

(c) The salt manufactured in the country conforms to the specifications laid under the provisions of the prevention of Food Adulteration Act, 1954 and the Rules made thereunder for edible salt. The production of salt in the country during the last three years State-wise is as under :

(Figures in '000 tonnes)

Name of the State/UT	Production		
	1999	2000	2001
Rajasthan	1711.1	1228.5	1746.7
Gujarat	10048.3	11588.4	9647.8
Maharashtra	157.6	154.2	169.4
Karnataka	12.0	14.8	12.1
Tamil Nadu	2159.9	2359.7	2283.6
Andhra Pradesh	278.1	204.8	318.8
Goa	2.0	2.2	2.3
Orissa	29.2	12.2	28.6
West Bengal	13.2	11.2	8.4
Himachal Pradesh	3.0	2.6	2.5
Daman & Diu	38.3	72.7	63.8
Total	14,452.7	15,651.3	14,284.00

(d) Government of Gujarat has provided financial assistance to the tune of Rs. 13.03 crore to 1429 salt works

affected by the earthquake. The Salt Works damaged in earthquake have since been re-constructed and are producing salt. The Government is taking following steps to boost the production of salt in the country :-

- (i) Site inspection is undertaken to judge the suitability of the land for salt manufacture and appropriate recommendations made for allotment of land by the State Governments for the purpose.
- (ii) Technical guidance is provided for the construction of salt works on scientific lines.
- (iii) Setting up of Salt Refineries in the salt producing areas is encouraged to meet the increasing demand of quality salt for edible, industrial and export purposes which help in boosting up the production of common salt.
- (iv) Financial assistance in the form of ex-gratia and loan is provided to the salt works which suffer damages due to natural calamities like floods/ cyclones etc. to enable them to recommence their production. Financial assistance is also extended for undertaking development and labour welfare schemes in the salt works.
- (v) Departmental salt land suitable for salt manufacture is leased out to private parties for salt manufacture.
- (vi) The Government vide Notification No. GSR 639(E) dated 4.9.2001, has replaced consignment-wise permit system for removal of salt from salt factories with the Self Removal Procedure (SRP) which will minimize hassles and thereby help in the increase of salt production.

[Translation]

Bank Loan to Poor

7852. SHRIMATI JAS KAUR MEENA :
SHRI Y.G. MAHAJAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government pay special attention to provide loan facility to the poor and dalits;

(b) if so, the details thereof; and

(c) the number of the poor and dalits in Rajasthan and Maharashtra provided loans by nationalised banks during the last three years indicating the amount of loans provided?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Yes, Sir. Government has introduced certain schemes for Employment Generation and Poverty Alleviation under which financial assistance is extended to various sections of the society including the poor and Scheduled Castes and Scheduled Tribes. The list of these schemes is given below :-

1. The Scheme for Liberation and Rehabilitation of Scavengers (SLRS). Under this scheme, projects upto Rs. 50,000/- can be financed. All loans upto Rs. 6500/- will be treated as DRI Loan at concessional rate of interest of 4 percent.
2. Swarna Jayanti Shahari Rozgar Yojana (SJSRY). Under the scheme, SC/ST have to be assisted

to the extent of their strength in the local population.

3. Swarna Jayanti Gram Swarozgar Yojana (SGSY). Under the scheme rural poor such as landless labour, small and marginal farmers, rural artisans and educated unemployed enlisted in the below poverty line list up to an age limit of 60 years can be financed. Out of total assistance, 50 percent is reserved for SC/ST.
4. Differential Rate of Interest (DRI) Scheme. This scheme enables the borrowers of weaker sections to avail loans @ 4 percent rate of interest (40 percent of credit under DRI Scheme go to members of SC/ST). They can also avail housing loans upto Rs. 5000/-.

(c) As per the information available with the Reserve Bank of India, credit provided under the above schemes including to SC/ST's through the nationalised banks in the States of Rajasthan and Maharashtra during the last three years is given in the statement.

Statement

Assistance provided under the schemes including to SC/ST beneficiaries in the States of Rajasthan and Maharashtra during the last three years (latest available)

Scheme for Liberation and Rehabilitation of Scavenger (SLRS)

Period for the year ended March	Total disbursement No. of applications		Amount (Rs. in lakhs)		Of which to SC/ST No. of applications		Amount (Rs. in lakhs)	
	MH	RJ	MH	RJ	MH	RJ	MH	RJ
1999	1081	538	309.79	77.27	951	538	225.11	68.23
2000	997	329	151.66	55.20	911	329	148.19	55.20
2001	692	341	87.66	55.51	594	308	64.85	47.64

Swarna Jayanti Shahari Rozgar Yojna (SJSRY)

(Rs. in lakhs)

Year	Rajasthan	Maharashtra
1998-1999	47.91	83.43
1999-2000	209.01	398.33
2000-2001	212.25	316.38

Swarna Jayanti Gram Swarozgar Yojana (SGSY)

(Rs. in lakhs)

Year	Total No. of Swarazgaris assisted		Total investment (bank credit + Govt. subsidy)		No. of SC assisted of the total		No. of ST assisted of the total	
	MH	RJ	MH	RJ	MH	RJ	MH	RJ
1999-00	87994	34120	21880.71	8719.68	21329 (24.24%)	9804 (28.73%)	12869 (14.62%)	5507 (16.14%)
2000-01	87998	44504	25081.81	15901.79	18460 (20.98%)	12677 (28.49%)	14725 (16.73%)	7921 (17.80%)
2001-02*	48813	27777	13896.88	10271.65	11252 (23.05%)	8679 (31.25%)	9035 (18.51%)	3924 (14.13%)

(*upto Feb. 2002 provisional)

Differential Rate of Interest Scheme (DRI)

Amount (Rs. in Lakhs)

Year	Number of Accounts		Amount outstanding	
	Maharashtra	Rajasthan	Maharashtra	Rajasthan
1998	67843	31171	4005.31	971.81
1999	536762	30016	55495.76	1010.51
2000	38670	21722	3078.56	619.95

MH – Maharashtra RJ – Rajasthan

[English]

C & AG Report

7853. SHRI ARUN KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether the C & AG in its report 12A of 2002 (Direct Taxes) have pointed out mistakes in assessment in paragraphs 4.6.1 to 4.6.7 and 4.10.5; and

(b) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) In

para 4.6.1 to para 4.6.7 of their Report No. 12A of 2002 (for the year ended March, 2002) laid down in Parliament on 15th March, 2002, the C & AG have pointed out certain mistakes in the assessment of some major Cement Companies like M/s. ACC Ltd., M/s. India Cements Ltd., M/s. Madras Cements Ltd., M/s. Gujarat Ambuja Cements, M/s. Chettinad Cements Corpn. Ltd. and M/s. Mangalam Cements Ltd. In para 4.10.5 they have pointed out mistakes in the assessments in the case of M/s. Hindustan Spinning and Weaving Mills Ltd.

(b) The said Report of the C & AG is being examined in the CBDT and also in the field formations to determine the correctness or otherwise of aforesaid audit

observations. Remedial action is taken by the field authorities wherever the objections are found acceptable. Even in the cases where the objections are not found acceptable remedial action is initiated as a precautionary measure as per CBDT's Instructions.

[Translation]

Creamy Layer

7854. SHRI RAVINDRA KUMAR PANDEY : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether the Government are aware that in some States of the country creamy layer or high income group of backward classes especially the Marwari Community are availing the benefit of reservation provided by the Government;

(b) if so, whether the Government have conducted any survey throughout the country in this regard;

(c) if so, the details thereof;

(d) whether the Government propose to take effective steps to take necessary action against the High income group of backward classes availing the benefit of reservation; and

(e) if so, the details thereof?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) No, Sir.

(b) to (e) Does not arise.

[English]

Amalgamation of Purchase Tax and MSP of Foodgrains

7855. SHRI VILAS MUTTEMWAR : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the State Government have been asked by the Union Government to include purchase tax on the foodgrain procurement charged from the farmers be rolled into the minimum support price for foodgrain;

(b) whether the State Governments have also been asked to take out a specific sum from the Minimum Support Price paid to Food Corporation of India to the farmers; and

(c) if so, the amount to be saved by the Centre as a result of the non reimbursement of the tax from the subsidy?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) and (b) No, Sir.

(c) Does not arise.

Writing-off of the Loans

7856. SHRIMATI SHYAMA SINGH :
SHRI ADHIR CHOWDHARY :
SHRI N. JANARDHANA REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have announced its decision to write-off the debt owed to it by the highly indebted poor countries;

(b) if so, the names of the highly indebted poor countries in the World to whom India have provided loans;

(c) the quantum of debt owed by those countries and under what terms and conditions of such loans were given; and

(d) the reasons for writing-off of such debts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (d) In response to the HIPC initiative started by the International Monetary Fund (IMF) and the World Bank (WB) to reduce the debt of Heavily Indebted Poor Countries (HIPC's) to sustainable levels, Government of India's decision to provide relief in respect of the bilateral debt owed to it by the HIPC's was announced by the Finance Minister in his statement at the International Monetary and Financial Committee meeting held on April 20, 2002. Government of India is now examining the modalities of providing debt relief to these countries.

The names of the HIPC's and the quantum of debt owed by them to the Government of India are indicated below :—

(As on 31.3.2002)

Sl. No.	Name of the country	Outstanding dues
1.	Tanzania	Rs. 28.56 crore
2.	Mozambique	Rs. 17.96 crore
3.	Zambia	Rs. 10.46 crore
4.	Uganda	US \$ 4.396 million*
5.	Nicaragua	Rs. 18.42 crore
6.	Guyana	Rs. 3.23 crore
7.	Ghana	Rs. 0.0094 crore
Total		Rs. 78.6394 crore + US \$ 4.396 million

*As on 30.6.2001.

Lines of credit were given to these countries for financing the export of goods and services from India. Under the terms and conditions of the agreement, the Lines of Credit carried a 5% per annum rate of interest and the stipulated period of repayment was 12 years plus 3 years moratorium.

As regards the advantage to the Government for providing relief in respect of such debts, besides good-will of the recipient countries, benefits would depend on the renegotiated terms which are still to be negotiated after reconciliation.

Consumer Society

7857. SHRI SHEESH RAM SINGH RAVI : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) the definition of a "Co-operative Society" and on which type of Co-operative Society will the MRTP Act, 1969 shall not be applicable;

(b) whether this Act only applies on Co-operative Societies manufacturing their own products and not on consumer cooperative societies indulging in reselling of items procured from open market; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD) : (a) to (c) Sub-Sections 3 (g) and 3 (k) of the Multi State Cooperative Societies Act (MSCS Act), 1984 gives the following definitions for a "Co-operative Society" and a "Multi-State Co-operative Society" :—

3 (g) "Cooperative Society" means a society registered or deemed to be registered under any law relating to co-operative societies for the time being in force in any State.

3 (k) "Multi-State Co-operative Society" means a Society registered or deemed to be registered under the MSCS Act, 1984 and includes a National Co-operative Society as defined in the 2nd Schedule of the said Act [Sub-Section 3 (m)].

Section 102 of the MSCS Act, 1984 states that the Monopolies and Restrictive Trade Practices Act (MRTP Act), 1969 shall not apply to Multi State Cooperative Societies. The Multi State Cooperative Societies registered or deemed to be registered under the provisions of this Act shall not indulge in monopolistic and restrictive trade practices as defined in the MRTP Act, 1969.

Closure of Paper Mills

7858. SHRI K.P. SINGH DEO :
SHRI ASHOK N. MOHOL :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the number of paper mills closed down in the country during last three years, State-wise;

(b) whether the Government have a proposal to revive some of these paper mills particularly in Orissa and Maharashtra;

(c) if so, the details thereof;

(d) whether the Orient Paper Mills, Brajraj Nagar in Orissa is also proposed to be revived; and

(e) if so, the steps taken so far in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) The data regarding the number of paper mills closed down in the country is not centrally maintained. However, during the period from 1.1.1999 to 28.2.2002, cases of 64 sick paper mills were registered with the Board for Industrial and Financial Reconstruction under section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985. State-wise number of sick paper mills is at statement.

(b) to (e) Under the existing policy on industrial sickness, the Board for Industrial and Financial Reconstruction (BIFR), 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 concession, etc. to healthy units, which undertake 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. During the last three years no sick paper mills in the State of Orissa including the Orient Paper Mills, Brajraj Nagar was registered with BIFR. However, cases of 12 sick paper mills in the State of Maharashtra were registered. Out of these one case has been dismissed as non-maintainable and cases of 11 paper mills are under enquiry by the Board. Government has, however, no proposal under consideration for the revival of sick paper industries.

Statement

S.No.	Name of the State	No. of Sick Paper Mills
1	2	3
1.	Andhra Pradesh	3
2.	Bihar	1
3.	Chattisgarh	1

1	2	3
4.	Gujarat	7
5.	Kerala	2
6.	Karnataka	2
7.	Madhya Pradesh	2
8.	Maharashtra	12
9.	NCT Delhi	8
10.	Punjab	5
11.	Tamil Nadu	5
12.	Uttar Pradesh	12
13.	West Bengal	4
Total		64

Welfare Centres for Handicapped in Orissa

7859. SHRI BHARTRUHARI MAHTAB : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) the number of handicapped welfare centres in Orissa;

(b) the details of facilities provided to the handicapped persons by the Handicapped Finance and Development Corporation;

(c) the latest position of progress made by them;

(d) whether the Government propose to formulate a clear cut National Policy for handicapped persons;

(e) if so, by when; and

(f) if not, the reasons therefor?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) 5 districts in Orissa have been identified for setting up of District Disability Rehabilitation Centres. The Centres at Phulbani and Koraput are functioning and those at Sambhalpur,

Mayurbhanj and Kalahandi are in the process of becoming functional. Besides, a District Rehabilitation Centre (DRC) at Bhubaneswar, the National Institute for Rehabilitation Training and Reserch (NIRTAR) and Regional Rehabilitation Centre (RRC) at Cuttack have been set up.

(b) and (c) The National Handicapped Finance and Development Corporation (NHFDC) extends loans to persons with disabilities for pursuing education at higher levels and assists them in upgradation of technical and entrepreneurial skills, procurement of raw material for them and marketing of finished goods and for starting small business, trade, cottage industries, agricultural and allied activities etc. The corporation has so far disbursed loans amounting to Rs. 33.47 crore covering 7448 beneficiaries.

(d) to (f) A National Policy on Disability Prevention and Rehabilitation is at advanced stage of formulation.

[Translation]

Guidelines on Antyodaya Anna Yojana

7860. SHRI SUNDER LAL TIWARI :
SHRI SATYAVRAT CHATURVEDI :

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Government have issued fresh guidelines to the State Governments for the implementation of Antyodya Anna Yojana;

(b) if so, the details thereof;

(c) the States from which progress reports on Antyodaa Yojana have been received so far, State-wise; and

(d) the main features of the reports?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) and (b) Yes, Sir. Detailed guidelines on the implementation of Antyodaya Anna Yojana (AAY) were circulated to States/UTs in January, 2001. The task of identification of beneficiaries was required to be carried out by State Governments from amongst the number of BPL families allotted to the States. The State Governments/UT Administrations were

requested to complete the task of identification of beneficiaries and issue distinctive ration cards within a period of two months by involving Gram Panchayats/Gram Sabhas in rural areas and local bodies in urban areas in an impartial and objective manner.

(c) and (d) AAY has been implemented in all States/UTs. Allocation of foodgrains @ 35 kg. per family per month at Rs. 2 a kg. for wheat and Rs. 3 a kg. for rice is being made to the States/UTs on completion of the task of identification of beneficiaries and issue of distinctive ration cards to them.

[English]

US Rules on Textiles

7861. SHRI Y.V. RAO : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether USA had made some changes in its rules of origin in textiles;

(b) if so, the details thereof;

(c) whether it effects on India's textile exports; and

(d) the steps proposed to be taken by the Government to get it rectified?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) and (b) Yes, Sir. USA had introduced certain changes in its rules of origin for textiles and apparel products in 1994. The changes made were given effect from 1st July, 1996. The main changes made were :-

(i) Fabrics are deemed to originate in the country where they were formed in the greige state by weaving or knitting. Dyeing, printing and other finishing operations that are ordinarily performed to turn greige fabric into a useful article of commerce no longer confer origin.

(ii) A wide range of made-up non-apparel products, such as silk scarves, blankets as well as bed, table and kitchen linen, are deemed to originate in the country where their constituent fabrics are formed into the greige state.

- (iii) For apparel products, the origin is deemed to be the country where the assembly takes place, which means that the country where the component parts were cut into shape can no longer be the country of origin.

We consider these changes to be inconsistent with the United States' obligations under the WTO agreements. Although as a result of dispute settlement proceedings invoked by EC, the USA modified its rules of origin in 2000, these however still did not bring its rules of origin in conformity with the WTO rules.

(c) The changes have resulted in extraordinarily complex rules of origin for textile and apparel products. Moreover, they create restrictive, distorting and disruptive effects on international trade, pose unduly strict requirements, require the fulfillment of certain conditions not related to manufacturing or processing as a pre-requisite for the determination of the country of origin, are more stringent than the rules applied by the United States to determine whether a good is domestic, discriminate between Members and are not administered in a consistent, uniform, impartial and reasonable manner. The changes therefore have an adverse effect on our textile exports.

(d) On 11 January 2002 India requested formal consultations with the United States of America under the Dispute Settlement Mechanism of the World Trade Organization (WTO). Formal consultations have been held with the United States on 7 February 2002 and 26 March 2002. Since these consultations have failed to resolve the matter India is now requesting the Dispute Settlement Body of WTO to establish a Panel to look into this matter.

Dismantling of Tariff and Non-Tariff Barriers

7862. SHRI SUBODH MOHITE : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the United States of America has urged the Indian Government to dismantle all tariff and non-tariff barriers restricting imports of farm products in the country.

(b) if so, the details thereof;

(c) the reaction of the Government thereto;

(d) the present status of Indo-US trade particularly of agriculture produce; and

(e) the steps proposed to be taken to increase it?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (c) US in its National Trade Estimate Report 2002 has raised concerns over high tariff rates, canalisation, and strict SPS requirements on some farm products. US Government has been informed about the reduction in tariff, removal of all QRs except for a small negative list. They have acknowledged the actions taken by the Government will benefit some US industries.

(d) The export of agricultural products to USA was Rs. 70777.86 lakhs (2000-01).

(e) Participation in trade fairs, buyer-seller meets, information dissemination etc. are some of the steps being taken to increase exports.

[Translation]

NGO's for Aged, Destitute Women

7863. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) amount of financial assistance provided to the non-Governmental Organisations engaged in the welfare of aged, destitute women and widows during the last two years till date, State-wise and organization-wise;

(b) whether the Government have received certain complaints regarding misutilisation of the financial assistance by these organisations; and

(c) if so, the names of those organizations and the action taken by the Government against them along with the details in this regard?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) There is no scheme in this Ministry, which is exclusive to women. However, under the scheme named General Grant in Aid Programme for financial assistance in the field of Social

Defence, this Ministry has released Rs. 8.30 lakhs and Rs. 15.61 lakhs during 2000-01 and 2001-02 respectively, to a non-governmental organization named Guild of Service, New Delhi for running a rehabilitation centre for 90 Vrindavan widows, annually.

Ministry of Human Resource Development (Department of Women and Child) under the Swadhar Scheme, which was launched in 2001-2002, has given Rs. 813 lakh during 2001-2002 to a governmental organization named UP Mahila Kalyan Nigam Ltd., Uttar Pradesh to rehabilitate 150 widows at Vrindavan.

(b) No, Sir.

(c) Does not arise.

[English]

NPA of Banks

7864. SHRI NARESH PUGLIA : Will the Minister of FINANCE be pleased to state :

(a) whether the National Institute of bank Management has conducted a survey about non-performing assets (NPA);

(b) if so, the break-up of share of big, small and medium industries in this amount of NPA;

(c) the bank-wise break-up of NPA in non-priority sector;

(d) the reasons behind this massive NPA in non-priority sector; and

(e) the reaction of the Government thereto and the measures proposed to be taken for realization of this amount of NPA?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) On behalf of RBI, NIBM made analytical study of commercial banks in December, 1999 to review different aspects of performance of banks including NPAs.

(b) and (c) The Bank-wise details of NPAs in non-priority sector including large and medium industries and NPAs in Small Scale Industries (SSI) sector in priority sector is in the enclosed statement.

(d) The reasons for NPAs in the non-priority sectors inter-alia includes deficiency in credit appraisal and supervision, diversion of funds by the borrower and wilful default in repayment, inefficient management of the unit financed, labour problems, Natural calamities, non-completion of projects due to cost/time over-runs and delay in disposal by courts of suits filed by banks etc.

(e) Government of India and Reserve Bank of India (RBI) have advised the banks and financial institutions to take several steps for recovery of dues such as evolving and implementation of recovery policy by banks, filing of suits with courts, Debt Recovery Tribunal (DRTs), compromise settlement through settlement Advisory Committees and monitoring and follow up of Non-Performing Assets (NPAs), use of Lok Adalats and compromise settlement/ one-time settlement etc.

Statement

Sector-wise NPAs of Public Sector Banks as on 31.3.2001

(Rupees in crores)

Sl.No.	Name of the Banks	Gross NPAs	Large Industries NPA	Medium Industries NPA	SSIs NPA
1	2	3	4	5	6
1.	State Bank of India	15874.97	2625.53	3691.61	2898.42
2.	State Bank of Bikaner & Jaipur	715.00	310.40	109.25	114.19
3.	State Bank of Hyderabad	1075.29	405.52		168.68

1	2	3	4	5	6
4.	State Bank of Indore	325.19		86.53	55.00
5.	State Bank of Mysore	581.01	196.10		127.58
6.	State Bank of Patiala	694.76	186.66		131.63
7.	State Bank of Saurashtra	568.54		178.22	196.41
8.	State Bank of Travancore	757.93	169.99	162.98	93.13
	Total of SB Group	20592.69	3894.20	4228.59	3785.04
9.	Allahabad Bank	1821.31	272.87	529.17	262.46
10.	Andhra Bank	470.10		117.00	106.00
11.	Bank of Baroda	4185.72	1771.51		731.72
12.	Bank of India	3434.11	788.47	951.91	481.41
13.	Bank of Maharashtra	876.64	75.36	175.81	184.85
14.	Canara Bank	2242.89	341.15	201.04	703.63
15.	Central Bank of India	3253.34	794.54	349.37	737.71
16.	Corporation Bank	484.74		155.83	85.90
17.	Dena Bank	1928.26		812.30	261.82
18.	Indian Bank	2359.07	483.59	283.32	401.84
19.	Indian Overseas Bank	1631.40	601.55		319.76
20.	Oriental Bank of Commerce	585.76		81.84	141.75
21.	Punjab & Sind Bank	1026.15		305.30	216.86
22.	Punjab National Bank	3460.10	1037.29	467.21	568.88
23.	Syndicate Bank	1074.61	327.49		245.41
24.	UCO Bank	1284.02	273.64		176.95
25.	Union Bank of India	2056.33	324.37		514.20
26.	United Bank of India	1411.00	425.75	0.00	242.99
27.	Vijaya Bank	594.92	86.32		115.79
	Total for Nationalised Banks	34180.49	7603.90	4430.10	6499.93
	Total for PSBs	54773.16	11498.10	8658.69	10284.97

Electronic Fund Transfer System

7865. PROF. UMMAREDDY VENKATESWARLU : Will the Minister of FINANCE be pleased to state :

(a) whether the Government do not have any electronic transfer system presently related to collection of taxes and the transfer of the same to banks;

(b) if so, the reasons for following old systems in all aspects of tax collection;

(c) whether the Government are going to introduce electronic fund transfer system to facilitate collection of taxes; and

(d) if so, the time by which it is likely to be made operational?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) There is no system for electronic transfer of funds relating to collection of taxes and their transfer to the banks.

(b) Facilities for secure transfer of funds and verification of identity through the electronic medium have to mature to sufficient levels, before electronic transfer of tax moneys can be introduced.

(c) At present, no scheme is being introduced for electronic transfer of funds relating to collection of taxes.

(d) Does not arise.

Impact of Communal Violence of Gujarat on Indian Economy

7866. SHRIMATI RENUKA CHOWDHURY : Will the Minister of FINANCE be pleased to state :

(a) whether IMF and World Bank has expressed their deep concern over the impact of recent communal violence and carnage in Gujarat on Indian Economy during his recent visit to Washington;

(b) if so, the details thereof; and

(c) the reaction of Government of India thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

(b) and (c) Does not arise.

Corporatisation of IDBI

7867. SHRI IQBAL AHMED SARADGI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have put together a detailed road map for the corporatisation of IDBI within this fiscal year;

(b) if so, whether under this package, the IDBI's loans worth Rs. 2,200 crore with the RBI and IBRD, a World Bank outfit are likely to come under the charge of the Union Government;

(c) if so, whether the Government have decided that it would issue a 20 year maturity bonds to the RBI for Rs. 1,200 crore; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Government propose to make legislative changes to corporatise IDBI within this fiscal year to provide it appropriate flexibility.

(b) to (d) Government have recently taken over from RBI, NIC-LTO loan portfolio funds given to IDBI, SIDBI, Exim Bank and IIBI of and has correspondingly issued GOI securities in favour of RBI. The transaction has been done in such a way as to be cash neutral. Simultaneously, GOI has also subscribed to 8% 20 year convertible bonds of these financial institutions amounting to Rs. 4038.07 crore (of which IDBI's share is Rs. 1157.02 crore). Government has also converted its IBRD line of Credit to IDBI of a balance amount of Rs. 973.48 crore into 20 year convertible bonds in a budget neutral manner.

[Translation]

Funds to NGO's for Old Age Homes

7868. SHRI RAMDAS ATHAWALE : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :

(a) whether the Government have any scheme to provide any financial assistance to the NGO's and funds for running old age homes and children homes;

(b) if so, the salient features thereof;

(c) the number of requests pending with the Government for clearance in this regard; and

(d) the time stipulated for their clearance?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) and (b) Yes, Sir. For running old age homes, financial assistance is given to the NGOs under the "Integrated Programme for Older Persons", with an aim to empower and improve the quality of life of older persons, generate greater awareness on issues pertaining to older persons, foster amiable multi-generational relationships, popularize the concept of life long preparation for old age at the individual level as well as at the social level etc.

Under the "Scheme of Assistance to Homes (Shishu Greh) for Children to promote in country adoption", financial assistance is given for institutional care within the country for care and protection of infants and children upto 6 years of age, who are either abandoned or orphaned/ destitute and their rehabilitation through in country adoption.

(c) 215 number of fresh proposals have been received under the Integrated Programme for Older Persons and five number of fresh proposals have been received under the scheme of Assistance to Homes (Shishu Greh) for Children to promote in country adoption.

(d) The time for consideration and sanction of new project proposals depends on various factors namely fulfilling the eligibility criteria, proposals being complete in all respect, availability of funds etc.

[English]

NGO's for Destitute Children

7869. SHRI BHAN SINGH BHAURA : Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) whether some NGOs are engaged in welfare work for the destitute children in Punjab;

(b) if so, the total number of such organizations;

(c) whether some NGOs misappropriated the financial assistance provided during the last three years; and

(d) if so, the measures taken against these organizations so far?

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : (a) Yes, Sir.

(b) Two Non-Governmental Organizations were sanctioned financial assistance during 2001-02 for the welfare of Street Children under 'An Integrated Programme for Street Children.'

(c) No, Sir.

(d) Does not arise.

Japanese Aided Projects in Orissa

7870. SHRI ANANTA NAYAK : Will the Minister of FINANCE be pleased to state :

(a) the projects started in Orissa with Japanese aid and assistance;

(b) the amount of Japanese aid and assistance obtained for implemented those projects so far;

(c) the progress of those projects; and

(d) the amount utilized for those projects so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (d) Two projects, namely, the Rengali Irrigation Project (State sector) and Improvement of NH-5 (Central sector) in the State of Orissa are under implementation with assistance from Japan Bank for International Cooperation (JBIC). The loan agreement for Rengali Irrigation Project was signed on 12.12.1997 for an amount of Japanese Yen 7,760 million. The loan agreement for NH-5 improvement, Orissa was signed on 28.2.1995 for an amount of JY 5836 million. An amount of JY 3620 million in respect of the Rengali Irrigation Project and JY 1284 million in respect of NH-5 Improvement Project, Orissa have been utilized by the concerned Project Implementing authorities as on 31.3.2002.

Impact of Gujarat Riots in FII's Investment

7871. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of FINANCE be pleased to state :

(a) whether Foreign Institutional Investors portfolio investment witnessed a negative growth in April, 2002 in view of the Gujarat riots as reported in the Hindustan Times dated the April 25, 2002 under caption 'Gujarat riots hit FII inflow';

(b) if so, the total FII investment in the month of January and February, 2002 in Gujarat;

(c) whether the existing FII have put on back burner since their principles in Overseas markets are reluctant to take fresh exposure;

(d) if so, whether new investors have also deferred their investment;

(e) if so, the total loss suffered by the Government on this account; and

(f) the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Although overall for the month of April, 2002, a marginally negative trend is discernable in the Foreign Institutional Investors (FIIs) investments in the country, to construe the trend solely due to the Gujarat riots would not be correct, as several other factors and determinants influence the market trend/sentiments.

(b) Reserve Bank of India (RBI) does not maintain State specific data of FII investments. The net FII Portfolio investment in the country during January and February, 2002 were, however, US \$ 145.9 Million and US \$ 483.5 million respectively.

(c) and (d) No existing FII or any new investor has expressed any such reluctance to the Government.

(e) and (f) Do not arise.

Demand and Supply of Vanaspati

7872. SHRI A. VENKATESH NAIK : Will the Minister

of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the demand for vanaspati is in excess of its production;

(b) if so, the details of demand and supply of vanaspati during the year 2001-2002;

(c) the steps being taken by the Government to meet the demand in full; and

(d) the steps taken to make the country self-sufficient and to reduce the burden of import bill of vanaspati?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD) : (a) and (b) Demand for Vanaspati has not been separately assessed. Demand includes the indigenous production of Vanaspati and the import of Vanaspati from Nepal under Indo-Nepal Treaty of Trade. The production of Vanaspati has been estimated as 14.75 lakh MT in the year 2001-2002. In addition in the revised Indo-Nepal Treaty of Trade, 1 lakh MT of Vanaspati will be imported in the country at no custom duty. Thus, the demand of Vanaspati during the 2001-2002 will be around 15.75 lakh MT.

(c) and (d) Some of the steps taken by the Government to meet the demand in full, to make the country self-sufficient and to reduce the burden of import bill of Vanaspati are as under :-

- (i) Vegetable oil industry including Vanaspati industry has been de-licensed w.e.f. 25th July, 1991;
- (ii) Under Indo-Nepal Treaty of Trade, 1 lakh MT of Vanaspati will be imported in the country free of custom duty canalized through Central Warehousing Corporation (CWC);
- (iii) 4% Special Additional Duty (SAD) has been levied on import of Vanaspati from Nepal;
- (iv) Assistance for Oil Palm Development Programme;
- (v) Better incentives to producers through fixation of Minimum Support Price (MSP) of major oilseeds;

- (vi) Intensification of research efforts for increasing production of oilseeds;
- (vii) Use of indigenous oils in the manufacture of Vanaspati to at least 25% of the production on a monthly basis has been made mandatory. Also, higher use of expeller mustard oil in the manufacture of Vanaspati up to 30% has also been allowed; and
- (viii) In order to harmonise the interest of processors and consumers and to regulate large import of edible oils to the extent possible, the duty structure on edible oils is revised from time to time.

UTI

7873. SHRI SADASHIVRAO DADOBA MANDLIK : Will the Minister of FINANCE be pleased to state :

- (a) whether the Government propose to ask the three sponsors of the UTI to meet the shortfall in its monthly income plans;
- (b) if so, the details thereof; and
- (c) the other steps taken/proposed to be taken by the Government to protect the interest of Investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) These schemes are within the regulatory purview of the Securities and Exchange Board of India (SEBI). SEBI has intimated its views to UTI and has also raised some queries in the matter.

Audit of Cooperative Banks

7874. SHRI C.N. SINGH : Will the Minister of FINANCE be pleased to state :

- (a) whether the RBI had directed all scheduled Primary (Urban) Cooperative banks to conduct a special audit of their Government securities transactions by chartered Accounts;
- (b) if so, the details thereof alongwith reasons therefor; and

- (c) the steps taken/proposed to be taken by the RBI to ensure that Urban Cooperative banks should ensure strict compliance with the instruction issued by it for the purchase and sale of Government securities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Yes, Sir. Reserve Bank of India (RBI) has reported that it has advised all scheduled urban cooperative banks in April, 2002 to cause a special audit of the securities transactions undertaken by them by a Chartered Accountant and to place the report of the special audit before the Audit Committee of the Board, or before the Board of Directors of the bank, in case the bank has not constituted any Audit Committee, together with a certificate to the effect that the bank has strictly adhered to the instructions issued by the RBI for transactions in Government securities. This has been done to ensure that all the extant instructions issued by RBI in this regard have been complied with.

- (c) Based on the findings of the rapid scrutiny of the books of the urban cooperative banks, RBI has taken several steps. These include restricting the role of the broker to bringing the two banks together with the settlement of the transaction being undertaken directly between the banks, calling of explanations from banks which have exceeded the 5% norm for dealing through an individual broker to show cause as to why penal action should not be taken against them, causing a special audit of securities transactions by a Chartered Accountant, requesting the Registrar of Cooperative Societies of some States to cause a special audit of the securities transactions undertaken by the Urban Cooperative Banks (UCBs) and to take appropriate action in this regard, etc.

Corporate Debt Restructuring

7875. SHRI A. BRAHMANAIAH : Will the Minister of FINANCE be pleased to state :

- (a) whether some foreign banks have represented to the Government against the Corporate Debt Restructuring Mechanism laid down by the RBI;
- (b) if so, the number of foreign banks who have resisted this new policy of RBI;

(c) whether the RBI has reviewed this mechanism for corporate debt restructuring;

(d) the specific objections of foreign banks to the latest policy of RBI; and

(e) the steps being taken to resolved such differences?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

(b) Does not arise.

(c) As per the announcement made in the Union Budget 2002-03, a high level group under the chairmanship of Deputy Governor, Reserve Bank of India has been setup on 22nd April, 2002 to review the operation of the CDR scheme, to identify the operational difficulties, if any, in smooth implementation of the scheme and to suggest measures to make the operations of the scheme more efficient.

(d) and (e) Legal basis for the Corporate Debt Restructuring (CDR) mechanism is provided by a legally binding Inter Creditor Agreement (ICA) with necessary enforcement and penal provisions. In a meeting of the CDR Forum held on 25th February, 2002 attended by 63 Public Sector Banks, All India Financial Institutions (AIFIs), Private Sector and Foreign Banks, 49 institutions comprising 8 AIFIs, 26 Public Sector Banks and 15 Private Sector Banks signed the ICA. The remaining banks and institutions were expected to sign the ICA after obtaining the requisite authority from the respective Boards. Subsequently, CDR Cell jointly with Indian Banks' Association (IBA) organized a workshop for the benefit of foreign banks on 12th April, 2002 to exchange views and forward clarifications. During the course of the discussions, it appeared that major areas of concern of the foreign banks are stringent penalty clauses under the ICA, modalities for participation of representatives of foreign banks in the CDR mechanism and difficulties arising in respect of overseas syndicate loans. The consensus that finally emerged was that the above issues would be discussed at the meeting of the Management Committee of IBA and based on the decision taken, the next course of action would be decided by foreign banks on execution of ICA.

Foreign Aid for Karnataka Project

7876. SHRI G. PUTTA SWAMY GOWDA :
SHRI R.S. PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Ministry of Health and Family Welfare has sent the technical assistance grant proposal to the department of Economic Affairs for approval to avail the PHRD Wordl grant amount of \$ 6,80,000 towards technical assistance for project preparation to contain and check mortality and maternal mortality in Karnataka State; and

(b) if so, the time by which it is likely to be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir.

(b) The agreement has been signed with the World Bank on 3.1.2002 for availing of the said PHRD grant of US \$ 680000.

Export of Sea Food

7877. SHRI P.R. KYNDIAH :
SHRI RAMSHETH THAKUR :
SHRI MOHAN RAWALE :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the various kinds of marine products exported from India to different countries in general and to Japan, South Korea, Taiwan, USA and Canada in particular during each of the last three years upto 31 March, 2002 alongwith their quantity and value;

(b) whether export of marine products from India has declined considerably during 2001-02.

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

(d) the further efforts being made by the Government to increase the export of manne products in the coming years;

(e) whether the rate of rejection of Indian marine products is higher in the world;

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

(g) the value of Indian marine products rejected by importing countries during the last three years; and

(h) the steps taken or proposed to be taken to reduce the existing rejection rate?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) The major item wise exports of marine products from India during the last three years have been as follows :—

(Quantity in Tons & Value in Rs. Crores)

Items	1999-2000		2000-2001		2001-2002 (Provisional)	
	Quantity	Value	Quantity	Value	Quantity	Value
Frozen Shrimps	110275	3645.22	111874	4481.51	124861	4073.10
Frozen Fish	131304	537.34	213903	874.68	173382	705.51
Frozen Squid	34918	296.80	37628	324.43	39097	323.74
Frozen Cuttle Fish	32799	286.22	33677	288.99	29963	273.58
Others	33735	351.09	44391	474.28	50767	494.30
Total	343031	5116.67	440473	6443.89	418070	5870.23

Of which, the exports of marine products to Japan, South Korea, Taiwan, USA and Canada during the last three years were as under :—

(Quantity in Tons & Value in Rs. Crores)

Country	1999-2000		2000-2001		2001-2002 (Provision)	
	Quantity	Value	Quantity	Value	Quantity	Value
Japan	66990	2272.78	68983	2560.39	64620	1815.28
South Korea	3385	32.12	7772	50.38	15061	72.34
Taiwan	5100	36.80	5466	44.50	7439	53.49
USA	36645	775.35	41747	1164.40	48202	1402.97
Canada	3254	55.30	3193	59.67	3893	36.88

Source : Marine Products Export Development Authority (MPEDA).

(b) and (c) The exports of marine products during 2001-02 amounted to US \$ 1235 million (provisional) as

against of US \$ 1416 million during 2000-01, showing a decline of 12.8%. The global recession and consequent

price fall in some of our major markets are the main reasons for the decline in exports.

(d) In order to increase the exports of marine products, Government have been taking several steps, which include schemes for extending financial assistance to the sea food processing industry, steps to upgrade processing facilities to meet international standards of hygiene and quality, expansion of aquaculture, imparting training to aquaculture farmers to adopt sound management practices to prevent outbreak of diseases; assistance to produce value-added products for export; participation by MPEDA in international fairs, conducting overseas market surveys, etc.

(e) and (f) During the period from July, 1998 till March, 2002, Government has been intimated by the importing countries of 44 cases of rejection of Indian marine products. However, the number of cases in respect of other countries are not available with Government. All the cases were rejected by the European Union member States due to the reported presence of certain bacteria like *Vibrio Cholera*, *Vibrio Parahaemoliticus*, *Salmonella* and *Nitrofurans* etc.

(g) Based on the Certificate of Export issued by the concerned approved processing units, the value of Indian marine products rejected by importing countries during the last three years have been as follows :—

Year	Value (in Rs. Crores)
1999-2000	0.30
2000-2001	2.66
2001-2002	3.80

Source : Export Inspection Council of India.

(h) Government have taken a number of steps to reduce the rejection of export consignment of marine products, which include :—

- (i) Laying down the essential requirements for hygienic handling of Fresh, Frozen and Processed Fish and Fishery Products at all stages of production, storage and transport to ensure effective compliance of the quality standards.

- (ii) Prescribing the maximum permissible level of antibiotics, pesticides and heavy metal in fish and fisheries product to ensure that fish and fisheries products are not contaminated with antibiotics, pesticides and heavy metal.
- (iii) Establishing procedure for complaint handling mechanism.
- (iv) Introduction of a three-tier surveillance system by EIC to ensure that the marine products processing units comply with the stipulated quality norms.
- (v) Issuing of advice by MPEDA has alerted all sea food exporters, processors, farmers, feed manufacturers, hatchery owners, etc., not to use the banned antibiotics in their Aquaculture inputs etc.

Pruning of List of Sensitive Import Items

7878. SHRI VILAS MUTTEMWAR : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Associated Chambers of Commerce and Industry have suggested the drastic pruning of list of 300 sensitive import items and reducing bound rated by upto 10 percent so as to reduce the industrial tariff rate from 25 percent of 15 percent; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) and (b) Government have seen press reports relating to the suggestions of the Associated Chambers of Commerce and Industry. All such suggestions from the Chambers and other Associations of Industry and trade as well as from individuals are taken note of and examined at the time of formulation of the Annual Budget and the Exim Policy.

Quality of Rice in PDS

7879. SHRI BHARTRUHARI MAHTAB : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Union Government have received any report from the Orissa Government regarding the quality of rice available for the Public Distribution System; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) No, Sir.

(b) Does not arise.

[Translation]

**Textile Centre Infrastructure
Development Scheme**

7880. SHRI SUNDER LAL TIWARI :
SHRI SATYAVRAT CHATURVEDI :

Will the Minister of TEXTILES be pleased to state :

(a) the names of textile centres selected by Textile Centre Infrastructure Development Scheme (TCIDC) for providing assistance alongwith the extent of expenditure proposed to be incurred thereon; and

(b) the basis on which these centres have been selected?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) and (b) The Government has launched a new scheme titled "Textile Centre Infrastructure Development Scheme (TCIDS)" for modernising infrastructure facilities at major textile centres of the country. The Scheme is not location specific and all the States and Union Territories (UTs) have been requested to formulate and furnish project reports for bridging critical gaps in infrastructure of major centres in their respective States/UTs which can be considered for assistance under the Scheme.

The Central assistance under the scheme will be limited to 50% subject to a maximum of Rs. 20 crores for each centre. The remaining 50% will be contributed by the State/Union Territory or any designated agency of the State Government. The funds under the Scheme will be used for development of infrastructure in these textile centres

benefiting the textile units. Some of the purposes for which funds could be used are (i) Common Effluent Treatment facilities (ii) provision of testing facilities (iii) strengthening of power supply (iv) establishment of design centres and (v) improvement of roads, drainage facilities etc.

[English]

Growth Rate of Infrastructure Sector

7881. SHRI Y.V. RAO :
SHRI S.D.N.R. WADIYAR :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the Government have reviewed the performances of the key infrastructure industries;

(b) if so, the performance of each key infrastructure industry during the last three years;

(c) the industry-wise growth rate of infrastructure sector during the year 2001-2002 against the target fixed;

(d) whether there was any negative growth in any of the industry under the sector;

(e) if so, the reasons therefor;

(f) the steps being taken to increase the growth rate of infrastructure sector in the coming years; and

(g) the targets set for the current financial year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) and (b) The Government monitors the performance of six infrastructure industries namely, Crude petroleum, Petroleum refinery products, Coal, Cement, Finished steel and Electricity on monthly basis. The performance of these six infrastructure industries measured in terms of growth rates (%) achieved during the last three years are given below:

Industry	1999-2000	2000-01	2001-02
1	2	3	4
Crude Petroleum	-2.4	1.5	-1.2
Petroleum refinery product	25.4	20.3	3.8

1	2	3	4
Coal	3.1	3.5	4.2
Cement	14.2	-0.9	7.4
Finished Steel	13.9	7.7	2.5
Electricity	7.2	3.9	3.1
Overall	9.1	5.1	3.0

(c) The industry-wise growth rates of infrastructure sector against the target fixed during 2001-02 are given below :-

Industry	Unit	Target (2001-02)	Achievement (2001-02)
Crude Petroleum	Million tonnes	32.5	32.0
Petroleum refinery product	Million tonnes	113.5	99.8
Coal	Million tonnes	325.6	322.6
Cement	Million tonnes	105.0	106.9
Finished Steel	Thousand tonnes	34782.0	31066.4
Electricity	Billion units	5339.50	515.3

Source : M/o Planning and Programme implementation.

(d) and (e) The Crude petroleum sector has registered growth of -1.2 percent during 2001-02 as against 1.5 percent achieved during 2000-01. The reasons for this declining trend are mainly unit specific and include socio-environment problems, reservoir problems, less gains from exploratory wells, fire, line leakages, increase in water cut, bandhs and miscreant activities.

(f) The Government has taken following initiatives to improve performance of these sectors :-

- Launch of PM's mega Road projects, which will boost demand for cement and steel industries.

- The Government has announced guidelines for allowing 100% FDI in the development of integrated townships and regional urban infrastructure. This is expected to boost housing/real estate sector and also boost production in cement and steel sectors.
- Constitution of a National Campaign Committee to promote steel consumption through development of markets especially in rural areas.
- Tax holiday for infrastructure development and tax incentives for housing sector have been announced.
- The Government has signed MOU with States to reform SEBs, and initiated steps, which include time bound Programme for installation of 100% metering, energy audit at all levels, specific programmes for reduction and eventual elimination of power theft.
- Accelerated Power Development and Reform Programme with an enhanced plan allocation of Rs. 3500 crores has been announced in the Union Budget 2002-03 with a renewed focus on transmission and distribution.
- Administered Price Mechanism (APM) for petroleum products has been phased out. The pricing of petroleum products will now be market determined.

(g) The targets for the current financial year (2002-03) are given below :

Industry	Target
Crude Petroleum	33.2 Million tonnes*
Petroleum refinery product	116.8 million tonnes* [@]
Coal	335.70 Million tonnes
Cement	115.45 Million tonnes
Finished Steel	The Govt. does not fix targets for production of steel in the country. These are fixed by the respective steel plants.
Electricity	545.6 Billion Units

* Refinery crude throughput [@] tentative targets

Dividend Paid by Public Sector Undertakings

7882. SHRI NARESH PUGLIA : Will the Minister of FINANCE be pleased to state :

(a) whether there is a directive from the Government that public sector undertakings earning pre-tax profits must pay dividend to the general revenues;

(b) if so, the details thereof;

(c) the names of public sector undertakings earning pre-tax profits which have not paid dividend to the general revenues during the last three years, year-wise; and

(d) the action the Government have taken against these public sector undertakings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) Ministry of Finance has issued instructions from time to time to all Ministries/Departments to ensure that PSUs under their administrative control pay dividend to the Government at rates prescribed. As per extant instructions, all profit-making PSUs are required to pay dividend of at least 20% of Government's equity investment or 20% of post-tax profit, whichever is higher. In the case of oil, petroleum, chemicals and other infrastructure industries, the dividend pay out should be at least 30% of post tax profits.

(c) As per Report of the Comptroller and Auditor General of India for the year ended March, 2001, the profit earning PSUs which have not declared dividend during the last three years are :-

Year	No. of profit earning PSUs which have not declared dividend
1998-1999	48
1999-2000	40
2000-2001	52

(d) To ensure compliance of Government instructions on the subject, Secretaries of the administrative Ministries/Departments have been urged to review the

position of dividend pay-out for the PSUs within their administrative control. Parliamentary Committee on Public Undertakings would also examine the Report of the Comptroller and Auditor General of India mentioned at (c) above and make suitable recommendations to the Parliament on this issue.

Issue of Bonds by NTC

7883. PROF. UMMAREDDY VENKATESWARLU : Will the Minister of TEXTILES be pleased to state :

(a) whether NTC is going in for a 500 crore bond issue;

(b) if so, the details thereof;

(c) the rating given by from credit agencies to NTC;

(d) whether the Government are giving adequate support to NTC for its forward-looking activities; and

(e) the steps proposed to assist NTC in meeting its obligations?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR) : (a) and (b) NTC is in the process of mobilizing funds by private placements of NTC Bonds upto an amount of Rs. 500 crores.

(c) CRISIL has awarded "AAA(SO)" rating for the said issue.

(d) and (e) Government has given a guarantee for the NTC Bonds for payment of principal and interest thereon.

MOU between India and Brazil

7884. SHRI IQBAL AHMED SARADGI : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether India and Brazil have signed a Memorandum of Understanding on technology-sharing and undertaking joint studies on blending of ethanol with petrol and diesel during the visit of Brazilian Minister of Development, Industry and Commerce;

(b) if so, the details of the memorandum of understanding signed; and

(c) the extent to which both the countries have agreed to develop economic ties?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) Yes, Sir.

(b) and (c) The MOU aims at enhancement of mutual cooperation and identification of desirable areas of cooperation in the field of blending ethanol with transport fuels on the basis of equality and mutual advantage. Under this MOU the Government of Brazil has agreed to share the technology for blending of ethanol in gasoline and diesel and to give consultancy relating to this field. The MOU shall be realized on the basis of implementation of programmes to be signed periodically. The implementation of programmes shall specify the range, subject and forms of cooperation including financial terms and conditions. The implementation of MOU shall be responsibility of the agencies to be designated by respective Governments in separate protocols, covering each specific project. Both sides shall promote cooperation between the designated agencies in both the countries with a view to concluding, if necessary, appropriate protocols or contracts within the framework of this MOU. Protocols or contracts, which shall be the basis for developing cooperation, shall be signed in accordance with the laws and regulations in force in the respective country.

Smuggling of Narcotics

7885. SHRI BHAN SINGH BHAURA : Will the Minister of FINANCE be pleased to state :

(a) whether after the fall of Taliban rule in Afghanistan, some parts of the border of Punjab with Pakistan have become the centre of activities of Narcotic smugglers;

(b) if so, the effective measures taken by the Government to curb this menace; and

(c) the number of culprits nabbed so far till January this year in Punjab and the number of them penalised so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The seizure reports received from various Drug Law Enforce-

ment Agencies do not indicate significant increase in the activities of drug smuggling from across the Indo-Pak border adjoining the State of Punjab.

(b) The Government of India has taken a number of steps to prevent and put effective check on drug trafficking. These include instructions to all drug enforcement agencies to maintain utmost vigil and step up enforcement efforts, training to officers, fencing and flood lighting of Indo-Pak border, vesting of powers in the Border Security Force and Coast Guards under the Customs Act to interdict narcotic drugs, notifying certain precursor chemicals, viz., Acetic Anhydride, Ephedrine etc. as 'Controlled Substances' under the Narcotic Drugs and Psychotropic Substances (NDPS) Act, 1985 quarterly coordination meetings by the Narcotics Control Bureau with all Central and State Agencies concerned, holding of periodic bilateral meetings of Indian and Pakistani anti-narcotics agencies, etc.

(c) In Punjab 732 persons were arrested for drug trafficking during the years 2001 and 2002 (upto January 2002), as reported by various Drug Law Enforcement Agencies. All the arrested persons are liable to be prosecuted and punished under the provisions of the NDPS Act, 1985.

Scarcity of Foodgrains in Orissa

7886. SHRI ANANTA NAYAK : Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) whether the Union Government are aware of the scarcity of foodgrains in the KBK districts of Orissa for the people below poverty line; and

(b) if so, the steps taken to ensure the supply of foodgrains to them?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : (a) and (b) Yes, Sir. Keeping in view the special problems of the eight districts in the KBK region of Orissa, allocation of foodgrains @ 25 kg, per family per month is being made for all the 13.93 lakh households estimated to be the total number of households in the KBK region of Orissa at BPL rates w.e.f. January, 2002.

Excise Duty on Petroleum Products

7887. SHRI SADASHIVRAO DADOBA MANDLIK :
SHRI SUKDEO PASWAN :

Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry have agreed to review the excise duties on petroleum products; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The Ministry of Petroleum and Natural Gas has taken up with the Ministry of Finance, the issue of adjustment in excise duty rates for petrol and diesel. No decision has been taken in the matter.

Conversion of Kochi Port into SEZs

7888. SHRI C.N. SINGH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether his Ministry has received any request from the Ministry of Shipping to convert the Kochi Port into a Special Economic Zone;

(b) if so, the details thereof;

(c) the reaction of his Ministry in this regard; and

(d) the time by which final decision in this regard is likely to taken?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) No, Sir.

(b) to (d) Do not arise.

Effect of Gujarat Violence on Export of Diamonds

7889. SHRI P.R. KYNDIAH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether there is apprehension that exports of diamonds would suffer a major setback due to riots which broke out in several parts of Gujarat during the last two months;

(b) if so, the total loss suffered by the exporters and mandyas lost due to the disturbances; and

(c) the action taken by the Government to put the exports of diamonds on the track?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (c) No, Sir. As per the Gem and Jewellery Export Promotion Council (GJEPC), an autonomous representative body of trade, sponsored by the Ministry of Commerce and Industry, Surat (which accounts for more than 50% Diamond production in Gujarat State) has not been affected. In Ahmedabad, due to continued disturbances in other parts of cities, it is estimated that diamond production may be less by around 25%. Even though all diamond factories are understood to be working. There is no significant adverse effect in other cities like Bhavnagar and Palampur in Gujarat. However the export of cut and polished diamonds have been showing a healthy trend. The Gem and Jewellery Export Promotion Council is keeping a close watch on the situation of Gujarat in the context of Diamond Industry.

Economic Agreement with Singapore

7890. SHRI Y.V. RAO :

SHRI ANANDRAO VITHOBA ADSUL :

Will the Minister of FINANCE be pleased to state :

(a) whether India and Singapore have agreed to set up a joint study group to consider a Comprehensive Economic Agreement;

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

(c) the extent in which it will be helpful for the development of both the countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir.

(b) During the recent visit of the Prime Minister to Singapore, it was agreed to set up a Joint Study Group (JSG) to consider an Economic Cooperation Agreement

(ECA) between the two countries. From the Indian side, JSG has already been set up and Singapore's response to the same is awaited. The ECA would cover a broad spectrum of economic issues including trade and investment, customs cooperation and other issues. It is expected to further strengthen and broaden already strong economic ties between India and Singapore. The Study Groups are to submit their reports within a year's time.

(c) Though it would be very difficult to measure the extent to which it would be helpful for development of both the countries, it would certainly help in building up economic ties between the two countries. These ties would in turn be helpful in development of both the sides.

LIC Claims

7891. SHRI A. BRAHMANAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether LIC has issued a series of advertisements in National Dailies that it has settled 65,37,894 claims;

(b) if so, the period of time over which 65,37,894 claims were settled by LIC;

(c) the number of claims still pending for this corresponding period;

(d) the number of claims are currently pending in courts involving LIC;

(e) whether any mechanism would be resorted to by LIC to find solutions to large number of claims pending in courts; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) The Life Insurance Corporation of India (LIC) has informed that they have advertised that they have settled 65,37,894 claims which were for the period from 1.4.2001 to 28.2.2002. For the full year i.e. 1.4.2001 to 31.3.2002 they have settled 86,20,081 claims.

(c) As on 31.3.2002 the number of claims pending for settlement were 59,133.

(d) As on 31.3.2002, a total of 4024 policies related cases (including claims) involving LIC were pending in various courts.

(e) and (f) LIC has informed that they have strengthened the claims settlement procedure by constituting Claims Review Committees at Zonal Offices which include a Retired High Court/Distt. Judge. In the Central Claims Review Committee also a Retired Chief Justice of High Court is included. In addition, Insurance Ombudsman offices have been established at 12 centres across the country. Policyholders can approach the Claims Review Committee or the office of Insurance Ombudsman for redressal of grievances relating to settlement of claims instead of directly approaching the courts.

Take-over Code

7892. PROF. UMMAREDDY VENKATESWARLU : Will the Minister of FINANCE be pleased to state :

(a) whether SEBI has instituted a Take-over Code for Companies wishing to buy stakes in other companies;

(b) if so, whether the SEBI insists that no company should buy more than 5% share in any company;

(c) if so, whether any conditions to be fulfilled by the acquired of shares;

(d) if so, the details of such conditions which should be fulfilled by the acquiring company or individual;

(e) whether any companies have violated such a Take-over Code of SEBI; and

(f) if so, the names of such public limited companies who violated the guidelines in 2001-2002?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The Securities and Exchange Board of India (SEBI) (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 were notified by SEBI on 20th February, 1997.

(b) SEBI does not prohibit acquisition of shares above 5% of shares in any company.

(c) and (d) Any acquirer who acquires shares or voting rights which when taken together with the shares

held by him would entitle him to more than 5%, is required to disclose the aggregate of his share holding or voting rights in that company to the company concerned, within four working days of the acquisition.

(e) and (f) SEBI has initiated adjudication proceedings against the following acquirers for violation of the condition mentioned above :

S.No.	Acquirer	Target company
1.	A.K. Bajoria and others	Bombay Dyeing and Mfg. Co. Ltd.
2.	A.K. Bajoria and others	Ballarpur Industries Ltd.
3.	P.K. Tayal and others	Bank of Rajasthan Ltd.
4.	Reliance Industries Ltd.	L&T Ltd.

Taxes Collected from Gurdwaras

7893. SHRI SIMRANJIT SINGH MANN : Will the Minister of FINANCE be pleased to state the percentage of income of Gurdwaras collected as taxes in various States during the last three years, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : The information is being collected and will be laid on the Table of the House.

Powers to Increase Excise and Customs Duties

7894. SHRI SUSHIL KUMAR SHINDE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have decided to assume emergency financial power to increase excise and customs duties irrespective of any legal limitations;

(b) if so, the precise decision taken in the matter; and

(c) the details of the increase in duties affected under these emergency powers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) No, Sir.

(b) and (c) Does not arise in view of the reply to (a) above.

De-reservation of SC/ST Vacancies

7895. SHRI P. KUMARASAMY : Will the Minister of FINANCE be pleased to state :

(a) whether posts/vacancies reserved for SCs/STs and OBCs have been de-reserved and filled by non-reserved category personnel in his Ministry and its subordinate offices since 1989;

(b) if so, the details thereof; and

(c) the steps taken to stop such de-reservation of posts meant for SCs, STs and OBCs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) There is a ban on de-reservation of vacancies reserved for Scheduled Castes, Scheduled Tribes and OBCs in case of direct recruitment. In rare and exceptional cases, reserved vacancies for Scheduled Castes and Scheduled Tribes in direct recruitment in Group 'A' services can be de-reserved after following a rigorous procedure as prescribed in the relevant guidelines of the DOP&T. In case of promotion, reserved vacancies for SCs/STs can be de-reserved when sufficient number of SC/ST candidates fit for appointment against reserved vacancies are not available. After introduction of post-based reservation, reservation does not lapse due to such de-reservation inasmuch as in subsequent recruitment(s), reservation quota of SCs/STs is completed as per post-based reservation roster. The exact details as to de-reservation, if any, in case of various offices under the Ministry of Finance are not centrally maintained.

Visit of Ministers to USA

7896. COL. (RETD.) SONA RAM CHOUDHARY : Will the Minister of FINANCE be pleased to state :

(a) the name of Ministers who have visited USA during the period from December 20, 2001 to February 24, 2002;

(b) the details of main issues discussed and outcome thereof;

(c) whether any memorandum of Undertakings have been signed;

(d) if so, the details thereof;

(e) the manner in which these visits have benefited the country; and

(f) the reasons for not clubbing the tour of different Ministers to avoid massive extra expenditure on the separate visits?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (f) So far as the Ministry of Finance is concerned, the Finance Minister visited USA to attend the World Economic Forum Annual Meeting, from 31.1.2002 to 2.2.2002. On 31.1.2002, the Finance Minister addressed the Asia Society in New York, the main issue being "The second wave of Economic Reforms in India". On 2.2.2002 in a plenary session of the World Economic Forum, the Global Economic outlook was discussed with emphasis for correlation between the GDP growth across the countries in the world with a view to reduce poverty in the third world. No memorandum was signed. The reforms were discussed to lay a roadmap to success in various fields in India including the third world. A consensus was reached in favour of free trade as vehicle for reducing poverty in the third world countries.

The details relating to foreign visits, if any, made by various other Ministers from other Ministries, are not centrally maintained.

Remarks of Credit Rating Agency

7897. SHRI N. JANARDHANA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether an International credit rating agency has pointed to the Indian Government's inability to rein its huge public sector deficit and warned that the country is heading towards a debt trap; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) In December 2001, an international credit rating agency

while affirming its rating outlook on Government's foreign currency debt as stable, stated that the outlook on Government's domestic debt rating was indicated to be negative. This was based on their concern about the status of public finances.

The revised estimates of Government's fiscal deficit as a percentage of GDP for the fiscal year 2001-2002 is 5.7%. For the year 2002-2003 this figure is projected to be 5.3% of GDP. Government has initiated several measures to improve the fiscal situation of the Centre and States.

[Translation]

BCCI

7898. SHRI UTTAMRAO DHIKALE : Will the Minister of FINANCE be pleased to state :

(a) whether BCCI has dropped the idea to sponsor knock-put cricket tournament for not providing exemption in tax by the Government;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) The International Cricket Council (ICC) had requested regarding exemption from taxation on International Cricket Council Knowk-out 2002. Exemption under section 10(23) of the Income Tax Act, 1961, would not be available to ICC as the said section is applicable to the association or institution established in India. Since ICC is a non-resident sports association, it is not covered under the provisions of section 10(23). As the organisation of International Cricket Tournament is decided by the ICC and Board of Control for Cricket in India, the Government has no comment to make in this regard.

[English]

Takeover of Companies

7899. SHRI KIRIT SOMAIYA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have taken note of spurge into backdoor takeover by various corporates;

(b) if so, whether ACC, L&T, Madhusudan Oil are similar type of cases;

(c) if so, whether the Government have received some representations from MPs/Association;

(d) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The market regulator, the Securities and Exchange Board of India (SEBI) has taken appropriate action from time to time whenever backdoor takeovers of listed companies were noticed.

(b) SEBI has intimated that in case of L&T and ACC (target companies) shares aggregating to less than 15%, i.e. the threshold limit under regulation 10 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, were acquired by Grasim and Ambuja Cements India Ltd. (acquirers) respectively. Pursuant to this acquisition, though representatives of the acquirers were appointed on the Boards of the target companies, this did not result in change in control of the target companies. Thus, in both cases, there was no contravention of regulation 10 and regulation 12 of the Takeover Regulations by the acquirers.

In case of Madhusudan Oils and Fats Ltd. acquisition through preferential allotment to Duravit AG, Germany, was proposed in pursuance of a resolution passed under Section 81 (1A) of the Companies Act, 1956. According to SEBI in terms of Reg. 3(1)(c) of the Takeover Regulations, nothing contained in regulation 10, 11 and 12 of the regulations shall apply to acquisition through such a preferential allotment.

However, it is understood that the extra-ordinary general meeting called on 26.2.2002 for the purpose of considering the preferential allotment has since been postponed.

(c) Yes, Sir.

(d) The representations/letters received alleged, inter alia, violation of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997; violation of the

Companies Act, 1956; the passive role played by financial institutions etc.

(e) The matter was examined in consultation with the authorities concerned and the information received/action taken thereon was conveyed in response to the letters/representations received.

Scam in Cooperative Banks

7900. SHRI KIRIT SOMAIYA :

SHRIMATI SHYAMA SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of the new scam involving more than 12 cooperative banks of Maharashtra;

(b) whether more than one lakh depositors lost their deposits due to this scam; and

(c) if so, the action the Government and RBI has planned to recover the amount of depositors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Reserve Bank of India (RBI) has reported that seven Cooperative Banks in Maharashtra had entered into transactions in Government securities and their likely losses are as under :—

Name of the Bank	Amount involved in Government Securities transactions (Rs. Crore)
Nagpur DCCB*	153.04
Wardha DCCB*	25.00
Osmanabad DCCB*	29.99
Sadguru Jangli Maharaj UCB**	40.00
Amravati Peoples Cooperative UCB**	9.50
Swamayug UCB**	5.79
Raghuvanshi UCB**	5.40

*DCCB (District Central Co-operative Bank).

**UCB (Urban Co-operative Bank).

The amounts were paid by the banks to the brokers purportedly for acquiring government securities but no such securities were acquired or delivered. As these securities have not been received in physical or scripless form and the money involved has also not been recovered, the banks face the prospect of loss of the entire amount.

(b) While the loss to the depositors is yet to be assessed, it is understood from Deposit Insurance and Credit Guarantee Corporation that up to date premium has been paid to them by the above banks in respect of deposit insurance which is available up to Rs. one lakh per depositor.

(c) In view of the manifest fraudulent transactions in violation of its guidelines, RBI sought supersession of the Board of Directors of Nagpur, Osmanabad and Wardha DCCBs and Sadguru Jangli Maharaj UCB, Amravati Peoples Co-operative UCB, Swarnayug UCB and Raghuvanshi UCB under Section 110A(iii) of the Maharashtra Co-operative Societies Act, 1960, The Board of Directors of all these banks have since been superseded. RBI has also asked the Registrar of Co-operative Societies of Maharashtra to conduct special audit of investment transactions of co-operative banks. Meanwhile, Government of Maharashtra has filed criminal complaints against the brokers/Chairmen of these five banks.

Ex-post Facto Approval Under the Financial Power Rules

7901. SHRI RAMJEE MANJHI :
SHRI PRABHUNATH SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether there is no provision for ex-post facto approval under the Delegation of Financial Power Rules but many of the ministries, departments and officers are re-appropriating the funds and obtaining ex-post facto approval of the Ministry of Finance later on;

(b) if so, the numbers of such cases which have come to light during the last three years; and

(c) the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) Ministries/Departments of the Central Government have been delegated full powers for reappropriation of funds under Schedule IV of the Delegation of Financial Power Rules (DFPRs). Ministry of Finance's approval is required only when restrictions under Rule 10 of DFPRs and Govt. of India's Decisions issued thereunder are attracted. In all such cases where these restrictions are attracted, the concerned Administrative Ministries are required to seek prior approval of this Ministry.

Repayment of Central Loan

7902. SHRI BHARTRUHARI MAHTAB : Will the Minister of FINANCE be pleased to state :

(a) whether Orissa Government has made our a special plea for Central aid and concessions or moratorium in repayment of Central loans;

(b) if so, the details of the financial issues raised by Orissa Government representatives therein and the aid concessions sought for; and

(c) the reaction of the Union Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir.

(b) Requests have been received from Government of Orissa for (i) writing off outstanding loan and interest thereon up to March, 2002, (ii) defrement of the balance debt servicing for the remaining part of the fiscal year 2001-02 to 2002-03, (iii) conversion of Ways and Means Advance of Rs. 275 crores to an extended Ways and Means Advance recoverable in subsequent three financial years and (iv) re-revision of Annual Plan Outlay for the years 1996-97 to 1999-2000.

(c) The Government of India in view of the devastation caused by the Super Cyclone in Orissa, deferred the repayment of loan and payment of interest amounting to Rs. 548 crores recoverable in 1999-2000 to

be recovered in 18 equal monthly instalments commencing from October 2000. A further deferment of Rs. 147.16 crores recoverable in 2001-02 was allowed for recovery in 12 equal monthly instalments in 2002-03. This is a special dispensation given to Government of Orissa. Recovery of Ways and Means advance over three years was not feasible as the Ways and Means Advance given to a State is budget neutral and there is no provision for deferring the recovery to future years. As regards revision of Annual Plan, this cannot be supported since cuts imposed for shortfall in States Plan expenditure are based on approved/revised plan outlays and retrospective revision would tantamount to allowing funds meant for plan to be diverted for meeting non-Plan expenditure.

Fiscal Deficit

7903. SHRI SUNIL KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether due to withdrawal of the Quantitative Restrictions from Exim Policy the balance of payment will be achieved; and

(b) if not, the manner in which the fiscal deficit will come down?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) There is no evidence to suggest that the balance of payment is adversely affected due to removal of quantitative restrictions on imports. The Economic Survey 2001-02 has documented that import data for the full financial year 2000-01 on 714 items, restrictions on which were removed with effect from 31.3.2000, did not reveal any surge in their imports following removal of such restrictions. India's balance of payments remained comfortable in both 2000-01 and 2001-02. The current account deficit as a percentage of GDP declined from 1.1 percent in 1999-2000 to 0.5 percent in 2000-01 and remained under manageable limits in 2001-02. According to the latest data available for the balance of payments, the current account deficit narrowed to US \$ 0.7 billion in April-December 2001 from US \$ 3.2 billion during April-December 2000. India's foreign exchange reserves increased substantially from US \$ 42.3 billion as at end-

March 2001 to US \$ 54.1 billion as at end-March 2002 and presently stood at US \$ 55.6 billion as on 3rd May, 2002, which is equivalent to ten months of imports.

(b) The central government budget for 2002-03 aims at reducing the fiscal deficit to 5.3 percent of gross domestic product (GDP) in 2002-03 from 5.7 percent of GDP in 2001-02(RE). This will be achieved through enhancing revenue collection and through strict expenditure management.

[Translation]

Foreign Exchange Earned from Exports of Ferrous Steel

7904. SHRI SHRINIWAS PATIL : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the total foreign exchange earned from export of ferrous steel during the last three years, years-wise;

(b) the total amount earned by export of non-ferrous steel during the last three years, year-wise; and

(c) the total amount spent on the purchase of all kind of steel in each year during the above period?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) The total values of India's exports of Iron and steel bar/rod etc., Primary and Semifinished iron and steel during the years 1998-99, 1999-2000 and 2000-2001 have been as under :-

Year	Value in Rs. Crores
1998-1999	2436.18
1999-2000	3609.61
2000-2001	4672.81

(b) There is no terminology classified as non-ferrous steel. However, the total values of India's exports of Non-Ferrous metal including aluminium other than products during the years 1998-99, 1999-2000 and 2000-2001 have been as under :-

Year	Value in Rs. Crores
1998-1999	335.85
1999-2000	775.04
2000-2001	1301.22

(c) The total values of India's imports of Iron and steel bar/rod etc., Primary and Semifinished iron and steel during the years 1998-99, 1999-2000 and 2000-2001 have been as under :—

Year	Value in Rs. Crores
1998-1999	4474.22
1999-2000	4123.79
2000-2001	3533.08

Source : DGCI&S, Kolkata.

Refusal to Transit Goods with India by Bangladesh

7905. SHRI R.S. PATIL :

SHRI G. PUTTA SWAMY GOWDA :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether Bangladesh had refused to transit and transshipment of goods with India;

(b) if so, the reasons therefor; and

(c) the reaction of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) to (c) The issue of the facility for transshipment of Indian goods between the mainland and the North Eastern States through Bangladesh was considered at the Commerce Secretary level India-Bangladesh Trade Talks held at Dhaka on 8-10, April, 2002. The Indian side drew attention to the fact that in the last trade review talks held in May 2000, both sides had agreed to refer the issues of border trade, transshipment of Indian goods through Bangladesh, and deepening of tariff

concessions to a joint group of experts. The Bangladesh delegation took note and suggested that the issues of border trade and transshipment may be considered at the meeting of the Joint Economic Cooperation Commission. Both sides agreed to continue discussions on the related matters.

Payment of SSI

7906. SHRI KALAVA SRINIVASULU :

SHRI RAMANAIDU DAGGUBATI :

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state :

(a) whether many Public Sector Enterprises do not make timely payment to small-scale industries who are supplying raw materials and ancillary parts to them; and

(b) if so, the measures proposed to ensure that small scale industries do not suffer on this account?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : (a) and (b) Payment for raw materials and ancillary parts etc. to suppliers comes under the purview of the respective Public Sector Enterprises as part of their business activities and such information is not centrally maintained.

Urban Cooperative Banks

7907. SHRI VILAS MUTTEMWAR : Will the Minister of FINANCE be pleased to state :

(a) whether action has been taken against 23 urban cooperative banks for routing large securities through the brokers;

(b) if so, the names of these banks;

(c) the guidelines issued by the Government in this regard; and

(d) the amount of brokerage paid by each bank over and above the prescribed limit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) and

(b) Reserve Bank of India (RBI) has reported that it has taken action against 4 Urban Co-operative Banks (UCBs) in Maharashtra and 8 UCBs in Gujarat. In view of irregularities noticed, RBI has taken action like requisitioning supercession of board of directors, calling explanations, ordering special audits, etc. Criminal cases have also been filed by State Governments. The names of these banks are given in enclosed statement.

(c) RBI has reported that it has issued guidelines to UCBs on the conduct of investment portfolio. The guidelines envisage transactions through brokers, Subsidiary General Ledger (SGL) facility, issue of Bank receipts, internal control systems, audit and review systems, etc. Each bank is required to formulate an investment policy, with the approval of its Board. Banks have been advised not to issue Bank Receipts under any circumstances, in respect of transactions in Government securities for which SGL facility is available. The procedure for undertaking transactions in Government securities have also been laid out. With a view to ensuring that a disproportionate volume of transactions is not routed through one or a few brokers, a prudential ceiling of 5% of the total transactions has been prescribed for routing transactions through an individual broker. The UCBs have also been advised that before concluding any deal for purchase/sale of securities, they should ensure the ability of the counterparty to fulfill the contract and that in all security dealings, payments should be released only on getting written confirmation from the counterparty.

(d) RBI has reported that information in this regard is not available.

Statement

*Banks against whom action was taken by
Reserve Bank of India*

Maharashtra

1. Sadguru Jangli Maharaj UCB
2. Amravati Peoples Co-operative UCB
3. Swarnayug UCB
4. Raghuvanshi UCB

Gujarat

1. Gandevi People's Coop. Bank Ltd.
2. Surat Nagarik Sah. Bank Ltd.
3. Adajan Nag. Sah. Bank Ltd. Surat
4. Surat Mahila Nag. Sah. Bank Ltd.
5. Karamsad Urban Co-op. Bank Ltd.
6. Navasari Peoples Co-op. Bank Ltd.
7. Udhna Citizen Co-op. Bank Ltd., Surat
8. Sheth B.P. Shroff Bulsar Peoples Co-op. Bank Ltd., Valsad.

Diversion of Funds

7908. SHRIMATI KUMUDINI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether several State Government have been diverting the funds allocated by the Union Government out of consolidated Fund in violation of Article 266 of the constitution of India to other purposes;

(b) if so, the details thereof; and

(c) the instructions issued by the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) Yes, Sir. As most States have been facing large Revenue deficits in their budgets, Plan funds have in many cases been diverted to meet evergent non-plan needs. For shortfalls in Plan expenditure reported by State Governments, proportionate cuts are made from the Central Assistance allocated to the State Government. The only effective cure to prevent such diversion is for the States to ensure that Revenue deficits are wiped out. Subsequent to the recommendations of the Eleventh Finance Commission, the Ministry of Finance has drawn up a scheme called the States' Fiscal Reforms' facility. Under this scheme, States are being given suitable incentives to bring down their Revenue deficits by 2004-05.

12.16 hrs.

PAPERS LAID ON THE TABLE

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR) : Sir, on behalf of Shri Jag Mohan, I beg to lay on the Table :-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the National Museum Institute, New Delhi, for the year 2000-2001, alongwith Audited Accounts.
 - (ii) A copy of the Review (Hindi and English version) by the Government of the working of the National Museum Institute, New Delhi, for the year 2000-2001.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No LT. 5749/2002]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the centre for Cultural Resources and Training, New Delhi, for the year 2000-2001, alongwith Audited Accounts.
 - (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the centre for Cultural Resources and Training, New Delhi, for the year 2000-2001.
- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT. 5750/2002]

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (DR. SATYANARAYAN JATIYA) : Sir, I beg to lay on the Table-

- (1) A copy each of the following Notification (Hindi and English versions) under article 338 (6) of the Constitution :-

- (i) Fifth Report of the National Commission for Scheduled Castes and Scheduled Tribes (Volumes-I and II) for the year 1998-99.
- (ii) Action Taken Memorandum on the Fifth Report of the National Commission for Scheduled Castes and Scheduled Tribes (Volumes-I and II) for the year 1998-99.

[Placed in Library. See No. LT. 5751/2002]

- (2) A copy each of the following papers (Hindi and English versions) under sub-section (2) of Section 64 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 :-

- (i) Annual Report of the Chief Commissioner for Persons with Disabilities for the year 1999-2000.
- (ii) Action Taken Report on the recommendations of the Chief Commissioner for Persons with Disabilities for the year, 1999-2000.

- (3) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT. 5752/2002]

THE MINISTER OF STATE OF THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (MAJ. GEN. (RETD.) B.C. KHANDURI) : Sir, I beg to lay on the Table a copy of the Notifications No. S.O. 500(E) and S.O. 501(E) (Hindi and English versions) published in Gazette of India dated the 9th May, 2002 authorising the National Highways Authority of India or its authorised representative to collect and retain fee at the rates specified therein under section 10 of the National Highways Act, 1956.

[Placed in Library. See No. LT. 5753/2002]

[English]

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA) : I beg to lay on the Table a copy each of the following papers (Hindi and English versions) :-

- (1) Memorandum of Understanding between the Andrew Yule and Company Limited and the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises for the year 2002-2003.

[Placed in Library. See No. LT. 5754/2002]

- (2) Memorandum of Understanding between the Bharat Bhari Udyog Nigam Limited and the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises for the year 2002-2003.

[Placed in Library. See No. LT. 5755/2002]

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN) : Sir, I beg to lay on the Table a copy of the Central Warehousing Corporation (Amendment) Rules, 2002 (Hindi and English versions) published in Notification No. G.S.R. 295(E) in Gazette of India dated the 22nd April, 2002 under sub-section (3) of section 41 of the Warehousing Corporation Act, 1962.

[Placed in Library. See No. LT. 5756/2002]

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : I beg to lay on the Table—

- (1) A copy each of the following Notifications (Hindi and English versions) under Section 296 of the Income-Tax Act, 1961 :-

- (i) S.O. 1185 published in Gazette of India dated the 13th April, 2002 regarding

exemption to the "OSIL TRFI Community Services, P.O. Palaspanga, Distt. Keonjhar, Orissa" under section 10 (23C) of the income-Tax Act, 1961 for the period covered by the assessment years 1994-95 to 1996-97, subject to certain conditions.

- (ii) S.O. 1186 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "National Highway Authority of India, New Delhi" under section 10 (23C) of the income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.

- (iii) S.O. 1187 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Bureau of Indian Standards, New Delhi" under section 10 (23C) of the income-Tax Act, 1961 for the period covered by the assessment years 2001-2002 to 2003-2004, subject to certain conditions.

- (iv) S.O. 1188 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Sri Sathya Sai Central Trust, Bridavan, Bangalore" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.

- (v) S.O. 1189 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Vatsalya Trust, Mumbai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.

- (vi) S.O. 1190 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Railway Minister's Welfare and Relief Fund, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the

assessment years 1992-93 to 1994-95, subject to certain conditions.

- (vii) S.O. 1191 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "National Stock Exchange Investor Protection Fund Trust, Mumbai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.
- (viii) S.O. 1192 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "J.R.D. Thalma J. Tata Trust, Mumbai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2001-2002 to 2003-2004, subject to certain conditions.
- (ix) S.O. 1193 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "National Culture Fund New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2000-2001 to 2002-2003, subject to certain conditions.
- (x) S.O. 1194 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Sri Kanyakumari Gurukula Ashram, Kanyakumari" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1994-95 to 1996-97, subject to certain conditions.
- (xi) S.O. 1195 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Indian Parliamentary Group, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.
- (xii) S.O. 1196 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Srimad Ujjayini Sadharma Simhasama Sri Taralabalo Jagadguru Brihanmath Sirigere, Karnataka" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.
- (xiii) S.O. 1197 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Dakshineswar Ramkrishna Sangha Adyapeeth, Dakshineswar, Calcutta" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2001-2002 to 2003-2004, subject to certain conditions.
- (xiv) S.O. 1198 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Bala Mandir Kamaraj Trust, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.
- (xv) S.O. 1203 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Divine Light Trust for the Blind, Bangalore" under section 10 (23C) of the income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.
- (xvi) S.O. 1204 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Railway Minister's Welfare and Relief Fund, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98, subject to certain conditions.

- (xvii) S.O. 1205 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Centre for Science and Environment, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2000-2001 to 2002-2003, subject to certain conditions.
- (xviii) S.O. 1206 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "The C.P. Ramaswami Aiyar Foundation, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1996-97 to 1998-99, subject to certain conditions.
- (xix) S.O. 1207 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Balaji Utthan Sansthan, Patna" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98, subject to certain conditions.
- (xx) S.O. 1208 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Indian Council for Child Welfare, Tamil Nadu" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-99 to 2000-2001, subject to certain conditions.
- (xxi) S.O. 1209 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Reaching the Unreached, Madurai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96, subject to certain conditions.
- (xxii) S.O. 1213 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Veda Rakshana Nidhi Trust, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96, subject to certain conditions.
- (xxiii) S.O. 1214 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Organisation of Pharmaceutical Producers of India, Mumbai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1998-99 to 2000-2001, subject to certain conditions.
- (xxiv) S.O. 1223 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Sri Aurobindo Samity, Kolkata" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1994-95 to 1996-97, subject to certain conditions.
- (xxv) S.O. 1224 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "The Bharat Scouts and Guides, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98, subject to certain conditions.
- (xxvi) S.O. 1225 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Institute for Financial Management and Research, Nungambakkam, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.
- (xxvii) S.O. 1226 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "The Muncherjee Nowrojee Banajee Industrial Home for

Blind, Mumbai" covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.

(xxviii) S.O. 1229 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Maharana Pratap Smarak Samity Udaipur, Rajasthan" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.

(xxix) S.O. 1230 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Bharat Sevashram Sangha, Kolkata" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.

(xxx) S.O. 1231 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "The Periyar Self-Respect Propaganda Institution, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1998-99 to 2000-2001, subject to certain conditions.

(xxxi) S.O. 1235 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Indian Association of Parliamentary Population and Development, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98, subject to certain conditions.

(xxxii) S.O. 1236 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Heart Care Foundation of India, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961

for the period covered by the assessment years 1998-99 to 2000-2001, subject to certain conditions.

(xxxiii) S.O. 1237 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "The Periyar Maniammai Educational and Cheritable Society, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1998-99 to 2000-2001, subject to certain conditions.

(xxxiv) S.O. 1238 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Sree Siddaganga Math, Tumkur, Karnataka State" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.

(xxxv) S.O. 1239 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "The Bharat Scouts and Guides, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1998-99 to 2000-2001, subject to certain conditions.

(xxxvi) S.O. 1240 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Kerala Handloom Workers' Welfare Fund Board, Thalikavu, Cannanore" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1994-95 to 1996-97, subject to certain conditions.

(xxxvii) S.O. 1241 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Medical Research Foundation, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for

the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.

(xxxviii) S.O. 1242 published in Gazette of India dated the 13th April, 2002 regarding exemption to the "Prayas Juvenile Aid Centre, Jahangirpuri, Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1998-99 to 2000-2001, subject to certain conditions.

(xxxix) S.O. 1244 published in Gazette of India dated the 13th April, 2002 making certain amendments in the Notification No. 10806 dated the 23rd February, 1999 regarding exemption to the "National Highways Authority of India, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961.

(xi) S.O. 1245 published in Gazette of India dated the 13th April, 2002 making certain amendments in the Notification No. 10687 dated the 7th September, 1998 regarding exemption to the "National Culture Fund, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961.

[Placed in Library. See No. LT. 5757/2002]

(2) 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. 276 (E) published in Gazette of India dated the 11th April, 2002 together with explanatory memorandum seeking to exempt from excise duty all goods, if supplied for use in construction of war-ships of the Indian Navy.

(ii) G.S.R. 305 (E) published in Gazette of India dated the 27th April, 2002 together with explanatory memorandum seeking to amend certain Notifications mentioned therein.

(iii) G.S.R. 306 (E) published in Gazette of India dated the 27th April, 2002 together with explanatory memorandum making certain amendments in the Notification No. 6/2002-CE (NT) dated the 1st March, 2002.

[Placed in Library. See No. LT. 5758/2002]

(3) 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 Union Bank of India Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2001 published in Notification No. F.3(b)/17.5.2001 in Gazette of India dated the 7th July, 2001.

(ii) The Canara Bank (Officers') Service (Amendment) Regulations, 2000 published in Notification No. PWPM/6144/80/SKR in Gazette of India dated the 10th November, 2001.

(iii) The Central Bank of India (Officers') Service (Amendment) Regulations, 2001 published in Notification No. CO:PRS:IRP:2001-2001-02 in Gazette of India dated the 20th October, 2001.

(iv) The Punjab and Sind Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2002 published in Notification No. PSB/DAC/2002 in Gazette of India dated the 11th March, 2002.

(v) The Indian Bank Officer Employees' (Conduct) Amendment Regulations, 2000 published in Notification No. 223/SRC in Gazette of India dated the 17th November, 2001.

(vi) The Bank of Maharashtra Officer Employees' (Acceptance of jobs in Private Sector Concerns after Retirement) Regulations, 2000 published in Notification No. AXI/ST/

OSR/8569/2000 in Gazette of India dated the 27th January, 2001.

- (vii) The Dena Bank Officer Employees' (Acceptance of jobs in Private Sector Concerns after Retirement) Regulations, 2000 published in Notification No. IR/Amend 2/2001 in Gazette of India dated the 27th October, 2001.

- (4) Three statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at item No. (i) to (iii) of (3) above.

[Placed in Library. See No. LT. 5759/2002]

- (5) 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 Institutions Act, 1993 :-

- (i) The Debts Recovery Appellate Tribunal, Allahabad (Group "C" and "D" posts (Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 183 (E) in Gazette of India dated the 11th March, 2002.
- (ii) The Debts Recovery Appellate Tribunal, Chennai (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 184 (E) in Gazette of India dated the 11th March, 2002.
- (iii) The Debts Recovery Appellate Tribunal, Delhi (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 185 (E) in Gazette of India dated the 11th March, 2002.
- (iv) The Debts Recovery Appellate Tribunal, Kolkata (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 186 (E) in Gazette of India dated the 11th March, 2002.

- (v) The Debts Recovery Appellate Tribunal-II, Delhi (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 187 (E) in Gazette of India dated the 11th March, 2002.

- (vi) The Debts Recovery Tribunal-II, Kolkata (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 188 (E) in Gazette of India dated the 11th March, 2002.

- (vii) The Debts Recovery Tribunal-II, Chennai (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 189 (E) in Gazette of India dated the 11th March, 2002.

- (viii) The Debts Recovery Tribunal-II, Mumbai (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 190 (E) in Gazette of India dated the 11th March, 2002.

- (ix) The Debts Recovery Tribunal-II, Mumbai (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 191 (E) in Gazette of India dated the 11th March, 2002.

- (x) The Debts Recovery Appellate Tribunal, Allahabad (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 192 (E) in Gazette of India dated the 11th March, 2002.

- (xi) The Debts Recovery Tribunal, Nagpur (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 193 (E) in Gazette of India dated the 11th March, 2002.

- (xii) The Debts Recovery Tribunal, Aurangabad (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 194 (E) in Gazette of India dated the 11th March, 2002.

(xiii) The Debts Recovery Tribunal, Hyderabad (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 195 (E) in Gazette of India dated the 11th March, 2002.

(xiv) The Debts Recovery Tribunal, Eranakulam (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 196 (E) in Gazette of India dated the 11th March, 2002.

(xv) The Debts Recovery Tribunal, Chandigarh (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 197 (E) in Gazette of India dated the 11th March, 2002.

(xvi) The Debts Recovery Tribunal, Cuttack (Group "C" and "D" posts Non-Gazetted) Recruitment Rules, 2002 published in Notification No. G.S.R. 198 (E) in Gazette of India dated the 11th March, 2002.

[Placed in Library. See No. LT 5760/2002]

(6) A copy of the Notification No. G.S.R. 244(E) (Hindi and English versions) published in Gazette of India dated the 2nd April, 2002 indicating the jurisdiction and location of each DRAT issued under section 8 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993.

[Placed in Library. See No. LT 5761/2002]

(7) (i) A copy of the Annual Report (Hindi and English versions) of the Securities and Exchange Board of India, Mumbai, for the year 2000-2001 under sub-section (3) of section 18 of the Securities and Exchange Board of India Act, 1992.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Securities and Exchange Board of India, Mumbai, for the year 2000-2001.

(8) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (7) above.

[Placed in Library. See No. LT 5762/2002]

(9) A copy of the Annual Accounts (Hindi and English versions) of the Securities and Exchange Board of India, Mumbai, for the year 2000-2001, together with Audit report thereon, under sub-section (4) of section 15 of the Securities and Exchange Board of India Act, 1992.

(10) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (9) above.

[Placed in Library. See No. LT 5763/2002]

(11) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 63 of the State Bank of India (Subsidiary Banks) Act, 1959 :-

(i) Notification No. SBD No. 2/2002 published in Gazette of India dated the 2nd March, 2002 incorporating of sub-regulation (r) in Regulation No. 3 of the State Bank of Bikaner and Jaipur/Hyderabad/Indore/Mysore/Patiala/Saurashtra/Travancore Officers' Service Regulations, 1979.

(ii) Notification No. SBD No. 3/2002 published in Gazette of India dated the 9th March, 2002 making certain amendments in Regulation No. 40 of the State Bank of Bikaner and Jaipur/Hyderabad/Indore/Mysore/Patiala/Saurashtra/Travancore Officers' Service Regulations, 1979.

(iii) Notification No. SBD No. 4/2002 published in Gazette of India dated the 30th March, 2002 making certain amendments in Regulation Nos. 68(2)(iii) and 68(2)(x)(a) in the State Bank of Bikaner and Jaipur/Hyderabad/Indore/Mysore/Patiala/Saurashtra/Travancore Officers' Service Regulations, 1979.

[Placed in Library. See No. LT 5764/2002]

- (12) A copy of the Notification No. G.S.R. 270 (E) (Hindi and English versions) published in Gazette of India dated the 27th April, 2002 together with explanatory memorandum making certain amendments in the Notification No. 7/89-Inland Air Travel Tax dated the 30th June, 1989 under section 49 of the Finance Act, 1989.

[Placed in Library. See No. LT 5765/2002]

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI A. RAJA) : I beg to lay on the Table :-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Medical Council of India, New Delhi, for the year 2000-2001, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Medical Council of India, New Delhi, for the year 2000-2001.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 5766/2002]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : I beg to lay on the table :-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Engineering Export Promotion Council, Kolkata, for the year 2000-2001, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Engineering Export Promotion Council, Kolkata, for the year 2000-2001.

[Placed in Library. See No. LT 5767/2002]

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Tobacco Board, Guntur, for the year 2000-2001, alongwith Audited Accounts.

- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Tobacco Board, Guntur, for the year 2000-2001.

[Placed in Library. See No. LT 5768/2002]

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR) : On behalf of Dr. (Smt.) Rita Verma, I beg to lay on the Table :-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Assam Prathamik Siksha Achani Parishad, Gauhati, for the year 2000-2001, alongwith Audited Accounts.
- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Assam Prathamik Siksha Achani Parishad, Gauhati, for the year 2000-2001.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 5769/2002]

- (3) (a) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Technology, Kharagpur, for the year 2000-2001.
- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Indian Institute of Technology, Kharagpur, for the year 2000-2001.

[Placed in Library. See No. LT 5770/2002]

- (b) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Technology, Bombay, for the year 2000-2001.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Indian Institute of Technology, Bombay, for the year 2000-2001.

[Placed in Library. See No. LT 5771/2002]

- (c) A copy each of the following papers (Hindi and English versions) under sub-section (4) of section 23 of the Indian Institute of Technology Act, 1961 :-

- (i) Annual Accounts of the Indian Institute of Technology, Kharagpur, for the year 2000-2001, together with Audit Report thereon.

- (ii) Annual Accounts of the Indian Institute of Technology, Bombay, for the year 2000-2001, together with Audit Report thereon.

- (4) Two statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT 5772/2002]

12.19 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 sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Foreign Aircraft (Exemption from Taxes

and Duties on Fuel and Lubricants) Bill, 2002 which was passed by the Lok Sabha at its sitting held on the 8th May, 2002 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."

12.19½ hrs.

ASSENT TO BILL

[English]

SECRETARY-GENERAL : Sir, I lay on the Table the Finance Bill, 2002 passed by the Houses of Parliament during the current Session and assented to by the President since a report was last made to the House on 10 May, 2002.

12.20 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

Minutes

[English]

SHRI P.M. SAYEED (Lakshadweep) : Sir, I beg to lay on the Table the Minutes (Hindi and English versions) of the Twenty-third to Twenty-fifth sittings of the Committee on Private Members' Bills and Resolutions held during the current session.

12.20½ hrs.

STANDING COMMITTEE ON LABOUR AND WELFARE

Twenty Second Report

[Translation]

DR. SUSHIL KUMAR INDORA (Sirsa) : Sir, I beg to present a copy of the Twenty Second Report (Hindi and English versions) of the Standing Committee on Labour

and Welfare on "The Constitution Scheduled Castes Orders (Amendment) Bill, 2001".

12.20½ hrs.

STANDING COMMITTEE ON PETROLEUM
AND CHEMICALS

Twenty Eighth Report

[Translation]

SHRI MULAYAM SINGH YADAV (Sambhal) : Sir, I beg to present the Twenty-eighth Report (Hindi and English versions) of the Standing Committee on Petroleum and Chemicals on "Disinvestment in Petroleum and Petrochemicals Sector".

12.21. hrs.

INDIAN POST OFFICE (AMENDMENT) BILL*

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI PRAMOD MAHAJAN) : I beg to move for leave to introduce a Bill further to amend the Indian Post Office Act, 1898.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Indian Post Office Act, 1898."

The motion was adopted.

SHRI PRAMOD MAHAJAN : I introduce the Bill.

SUPREME COURT JUDGES (SALARIES AND
CONDITIONS OF SERVICE) AMENDMENT BILL*

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY) I beg to move for

*Published in the Gazette of India, Extraordinary, Part-II, Section-2, dt. 17.5.2002

leave to introduce a Bill further to amend the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958.

MR. SPEAKER : The Question is :

"That leave be granted to introduce a bill further to amend the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958."

The motion was adopted.

SHRI ARUN JAITLEY : I introduce the Bill.*

[English]

MR. SPEAKER : Matters under Rule 377 listed for the day be treated as laid on the Table of the House.

12.22 hrs.

MATTERS UNDER RULE 377**

(I) Need to provide financial assistance to
Government of Gujarat for construction
of a "Science City" in the State

[Translation]

SHRI RATILAL KALIDAS VARMA (Dhandhuka) : Mr. Speaker, Sir, the Government of Gujarat is constructing an international level science city near Ahmedabad which aims at enriching the knowledge of the people, providing entertainment and also promoting scientific temper among the people. The State government was eager to start the second phase of its work from March 2002 and a sum of about Rs. 40 crore has already been provided while arrangement has been made to provide Rs. 15.20 crore for the current year. Since this is an international level project, so the central government need to provide financial assistance to the Government of Gujarat to enable them to complete the work on this ongoing project within a time limit. The State Government has also written letters to the central government in this regard.

*Introduced with the recommendation of the President.

**Treated as laid on the Table of the House.

[Shri Ratilal Kalidas Varma]

Through this House I would like to demand that the central government should provide a sum of Rs. 41 crore as assistance to complete the work of the science city in the public interest. Gujarat is, even otherwise, famous in the World and those is hardly any country in the world where the people of Gujarat do not live. The people of Gujarat have worked on high profile posts in countries like America, England, Canada etc., and while doing so they have brought laurels not only for Gujarat but for India as well. Therefore, I would like to request that the central government should provide financial assistance to the state in order to get the aforesaid work accomplished.

(ii) Need to ensure commercial utilisation of land belonging to Chandrapura Thermal Power Station and BTPS under Damodar Valley Corporation

SHRI RAVINDRA KUMAR PANDEY (Giridih) : Mr. Speaker, Sir, the case of giving appointments on compassionate ground to the dependents of the deceased employees of Chandrapura Thermal Power Station and BTPS under Damodar valley corporation is pending for several years and the DVC has been incurring an yearly loss of several crore rupees due to encroachment and non commercial utilisation of land belonging to Chandrapura Thermal Power Station.

I have brought it to the notice of the central government, DVC management and the state government but the matter is pending for several years.

Therefore, I request the central government to issue an order to give appointment in DVC on compassionate ground and allow commercial utilisation of the above land on priority basis.

[English]

(iii) Need to look into the decreasing water level in Jabalpur region, Madhya Pradesh

[Translation]

SHRI PRAHLAD SINGH PATEL (Balaghat) : Mr. Speaker, Sir, Jabalpur division of Madhya Pradesh is known as the lowland of Narmada river where a major dam

like Rani Avanti Bai Sagar has been constructed. Water holding capacity of the dam has been affected due to silting and at the same time the target in regard to electricity generation has not been achieved. The land of Narsinghpur and Jabalpur districts the most fertile land of Asia under the region of this dam is not getting water from the incomplete canals for the last several years.

Narsinghpur and Jabalpur have been the best examples of having old bund system. As a result, on the one hand we have had developed, farming while on the other hand we have been successful in maintaining the ground water level at 10 to 20 feet for centuries. However ground water level has gone down to 80 to 100 feet ever since Rani Awanti Bai Sagar dam was constructed. The main reason thereof is stopping water collection in the fields during rainy season crops in bund farming and also maximum utilisation of ground water for summer season crops. Therefore, I would like to request the central water resource department, the department of land survey and the Department of Agriculture to make coordinated efforts and take this important development into consideration.

[English]

(iv) Need to advise Government of Orissa to revamp Orissa Scheduled Caste and Scheduled Tribe Financial Development Corporation

SHRI ANANTA NAYAK (Keonjhar) : There is a great discontentment among the people belonging to SC/ST's due to the failure of the Orissa Scheduled Tribe/Scheduled Caste Financial Development Corporation in protecting their interest. The main objectives of the Constitution of OSFDC were to help the SC/ST in the State who are economically weak. But, it is unfortunate that the real benefit is not being given to the weaker section from SC/ST's. On the other hand the loan is granted to the vested interest and only to the people from Bhubaneswar and adjoining areas. The prescribed norms for sanctioning the loan are not being strictly followed.

I request the Central Government to intervene in the matter and direct the State Government to revamp the working of the Orissa Scheduled Tribe and Scheduled Caste Financial Development Corporation without any further delay.

[English]

**(v) Need for inclusion of certain villages in
Sidhmukh Irrigation Project in Churu
district, Rajasthan**

[Translation]

SHRI RAM SINGH KASWAN (Churu) : Mr. Speaker, Sir, several years have passed since Sidhmukh irrigation project was approved for Churu district of Rajasthan. The 40 villages of my home tehsil Rajgarh of Churu district were included under this scheme and later on it was revised to 36 and then to 16. But the Sidhmukh area is not getting the benefit of the aforesaid approved project namely Sidhmukh project and majority of villages have been left out of the purview of this scheme.

Therefore, through you I would like to request the concerned Minister that the said 16 villages should be covered under this scheme so as to provide relief to the people who are affected by frequent droughts.

[English]

**(vi) Need to set up an Indian Institute of
Technology in Andhra Pradesh**

SHRIMATI RENUKA CHOWDHURY (Khammam) : There are eight IITs imparting higher technical education in the country, situated in Delhi, Kharagpur, Mumbai, Chennai, Kanpur, Guwahati, Roorke and Dhanbad. There is fierce competition for entry to these institutes. In the whole of Southern Region comprising Tamil Nadu, Karnataka, Kerala, Andhra and even Orissa and Madhya Pradesh, there is only one IIT at Chennai. From Andhra Pradesh alone over 15,000 students compete for entry to the prestigious institute. With fast industrial, trade and commercial development, including development in the field of information technology in Andhra Pradesh, the need and demand for higher technical education are increasing fast; and there is a pressing need for opening another IIT in Andhra Pradesh. Government of Andhra Pradesh has already set apart some 1000 acres of land in Basara in Adilabad. The Legislative Assembly of Andhra Pradesh has already adopted a resolution to send a team to Prime Minister to impress on him the need for new IIT in the State.

I shall request the Prime Minister and the Minister of

Human Resource Development to consider the pressing public demand and take steps for opening of the new IIT in Andhra.

**(vii) Need to take steps to check infiltration
of terrorists from across the border**

SHRI J.S. BRAR (Faridkot) : Car bombs have rocked Karachi. Suicide bombers allegedly belonging to Al Qaida, attacked in the parking lot of a hotel in Karachi on 8th May killing 12 Frenchmen. This has vindicated the intelligence reports that Al Qaida activists are likely to sneak into India to create disturbances during forthcoming elections in Jammu and Kashmir. Now there is no doubt that Pakistan has given shelter to Al Qaida terrorists after they fled to Pakistan from Afghanistan. Pakistan will make use of them against India through POK. Government should take serious note of this incident in Pakistan and register its concern to USA. On home front the security agencies be kept on high alert and take preventive steps to ensure that Al Qaida and Pakistani infiltrators are not allowed to cross the borders. Intelligence agencies have to play a significant role now.

[Translation]

**(viii) Need to set up industries in Pratapgarh
Parliamentary Constituency, Uttar Pradesh**

SHRIMATI RAJKUMARI RATNA SINGH (Pratapgarh) : Mr. Speaker, Sir, I would like to draw the attention of the government to the problem of my Parliamentary constituency where there is no basic industry and because of that the area is very backward and unemployment is increasing among the local people and consequently they are migrating to other areas in search of employment. Agro-based industries and other industries can be set up there. The backwardness of the area can be removed to some extent by setting up new industries over there.

Through this House I would like to request the Government to attract the industrialists to set up industries in this backward area and to provide them assistance.

[English]

**(ix) Need to sanction Land Acquisition Estimates
sent by Government of Kerala for construction of a
bridge at Palolipalam and approach road on NH-17**

PROF. A.K. PREMAJAM (Badagara) : The Government of Kerala has submitted a Land Acquisition Estimate

[Prof. A.K. Premajam]

for the construction of the old and narrow bridge at Palolipalam and approach road from K.M. 201/090 to 202/065 NH. 17 vide reference No. NH8-D15-4862/2001 dated 22.8.2001. There is a provision of Rs. 3 crores in the annual plan for 2001-2003 for this work. The nature and necessity of this work has been explained in the report accompanying the estimate. The alignment for this reach has been approved by the Ministry of Road Transport and Highways and Land Acquisition. Estimate has been prepared accordingly, by keeping the minimum land width of 30 ms. The estimate comes to Rs. 225.50 lakhs. The condition of the bridge is very poor and is getting deteriorated day by day with very heavy traffic. I request the Government, especially to Ministry of Road Transport and Highways to sanction the Land Acquisition Estimates at the earliest.

(x) Need to protect the interests of tobacco growers and tobacco industry in the country

SHRI Y.V. RAO (Guntur) : Tobacco production and cigarette industry are a major source of livelihood for a large number of people in India. Tobacco and the allied industry is facing a lot of problems. The industry has shrunk by 10% during the last financial year. Any further shrinking will adversely affect the livelihood of more than 2 million people engaged in this industry.

Cigarettes have been for quite long under specific duty structure. In March, 1987 specific duty structure was introduced for cigarettes. This scheme has been found to be simplified and more revenue generating.

I, understand that there is a move to impose VAT on tobacco and cigarettes. But it may not serve the purpose and may ultimately be counter-productive for the exchequer. It may also be mentioned here that WTO Agreement is very adversely affecting our tobacco growers and the tobacco industry. In case VAT is imposed this will further cripple the already shrinking tobacco industry in the post liberalization scenario.

I, therefore, urge upon the honourable Minister of Finance to consider continuing with the single point Central Tax levy on tobacco and cigarettes.

[Translation]

(xi) Need to direct Cantonment Board to permit construction of a drain at Nagla Deera, Fatehpur, U.P. to flush out rain water

SHRI CHANDRA BHUSHAN SINGH (Farrukhabad) : Mr. Speaker, Sir, the people of Nagla Deera, Fatehgarh, Uttar Pradesh are facing a lot of difficulties for want of proper drainage system to drain out filthy, rain water. Funds were provided under the MPLADS for construction of a drain from main Fatehgarh to Farrukhabad Road (Cantt. Area) in order to check pollution and to keep the environment clean. The construction of drain has been completed upto the set limit. The officers of the cantonment board had conducted an inspection of the area to the drainage system because there is no other way out to keep the environment clean. The cantonment board had passed a unanimous resolution on 15th March 2002 under No-97. Now people are making their own guesses about the construction of drain in the cantonment area to be undertaken by the cantonment board.

Therefore, I request the hon. Minister to instruct the cantonment board to undertake the construction of drain in the cantonment area.

[English]

(xii) Need to remove discrepancy in charging for inter-circle and intra-circle telephone calls in Kolhapur Parliamentary Constituency, Maharashtra

SHRI SADASHIVRAO DADOBA MANDLIK (Kolhapur) : Respected Sir, in my constituency Kolhapur, there is a serious anomaly in charging of calls to stations within the State and stations out side the State especially by using '95' facility. For example, a call to Goa is charged as a 30 seconds call from Kolhapur, irrespective of the time of the day. Whereas call to Bijapur in Karnataka is charged as 30 seconds call between 9 am to 8 pm but the same call is charged as 60 seconds call between 8 pm to 9 am. That means the concession tariff in 100-200 km. Slab.

Since BSNL is the organisation providing telephone services to entire India, anomaly in charging for inter-circle calls and intra-circle calls gives an odd impression.

I, therefore, request the Union Government look into it urgently and remove the anomaly.

[Translation]

(xiii) Need to Protect the interests of farmers in the country

DR. SUSHIL KUMAR INDORA (Sirsa) : Mr. Chairman, Sir, since India is basically an agricultural country, so discussion on this subject naturally holds pivotal importance. The financial condition of farmers is deteriorating day by day because concrete steps to improve the conditions of traditional agro-based industries at length in order to help the farmers improve their financial condition have always been lacking. At the time of opening the trade for global market it was stated that the farmers and farm labourers would have easy access to the international market for their produce and that it would benefit them financially. The fact, however, remains that the real benefits in this regard have been seized by a few persons. In certain areas of Haryana the farming of rose is being done. Climatically, those areas are conducive for rose farming. Roses worth Rs. 500 crore are being exported too but this export is being done only by certain Multinational companies. Common farmers are not getting any benefits because they are not being provided finance and the kind of training required for rose farming.

Therefore, I would like to request the Union Government to provide training facility to the farmers regarding new agricultural products. Moreover, they should be provided loan-facility as per their requirement so that they may make profits from the new crops.

[English]

(xiv) Need to set up a high power T.V. Transmitter in Sunderbans region

SHRI SANAT KUMAR MANDAL (Joynagar) : I would like to draw the attention of the Government the difficulties faced by the people of Sundarban in watching the T.V. Programme.

An LPT has been installed at Basanti, South 24 Parganas, West Bengal to cater to the needs of the people of Sundarban. It has started functioning. Only Metro Programmes are being transmitted. The local people are

not being able to watch Calcutta Doordarshan and Delhi Doordarshan programmes.

Sundarban borders Bangladesh. Their transmission is better than local transmission. Therefore, the people are forced to watch Bangladesh Programmes.

I would, therefore, urge upon the Government to take suitable steps so that the people of Sunderban will be able to watch the Calcutta Doordarshan and Delhi Doordarshan Programmes.

[Translation]

(xv) Need to provide more facilities at Muzaffarnagar railway station, U.P.

SHRI AMIR ALAM (Kairana) : Mr. Speaker, Sir, there is lack of amenities at Muzaffarnagar railways station in UP. There is no waiting room there and consequently the passengers have to sit under the Shed in the sun. There is also shortage of railway staff as a result of which there is no one to attend the phone No. 131 to give the required information. There is no proper sanitation and there is lack of drinking water facility owing to which the passengers run the risk of becoming sick in this summer season. Besides, there is no proper facility to provide information about late coming trains which also causes inconvenience to the passengers. Moreover, there is always a risk of accidents at the unmanned level crossing situated at Muzaffarnagar.

Therefore, I would like to demand that the high ranking officials of the railway department should inspect the Muzaffarnagar railway station immediately and should try to resolve the aforesaid problems soon.

12.24 hrs.

[English]

DISCUSSION UNDER RULE 193

Terrorist Attack on Bus Passengers and Army Camp at Kaluchak in Jammu

MR. SPEAKER : Hon. Members, I have to inform the House that Shri Priya Ranjan Dasmunsi in whose name

the item is listed has requested me to allow Smt. Sonia Gandhi to initiate the discussion on his behalf, I have allowed Shrimati Sonia Gandhi to raise the discussion.

Before she initiates the discussion, I would like to remind the hon. Members that the subject under discussion is of extreme national importance and is highly sensitive in nature. We have limited time available with us for completion of this discussion. I would, therefore, urge upon the hon. Members to avoid interruptions and mutual exchanges and to discuss the matter in a positive and constructive manner so that at the end of the discussion a message goes from this House that not only this House but the entire nation is one is condemning terrorism.

Now, Shrimati Sonia Gandhi.

SHRIMATI SONIA GANDHI (Amethi) : Mr. Speaker, Sir, I rise to speak on an issue on which all of us here in the House, and the entire nation, are united. The savage strike at Kaluchak on the outskirts of Jammu on May 14th has once again enraged and shocked us all. I was in Jammu the day before yesterday, and saw for myself the ghastly and heartbreaking effects of this heinous attack which we condemn. Innocent men, innocent women and innocent children have been gunned down mercilessly, as well as our brave jawans. The images I saw still continue to haunt me.

To those who have lost their lives and to the families of the bereaved, we convey our deepest, heartfelt condolences. We understand their pain; we understand their anguish. In recent times, the families of our Defence Forces have suffered. From Kargil to Kaluchak, they have experienced human and personal tragedies. To them, we can only say that the country stands with them at their time of grief.

Mr. Speaker, Sir, we are once again reminded of similar attacks in the past—we are once again reminded of the attack on our Parliament on 13th December, we are once again reminded of the attack on the Jammu and Kashmir Assembly in October, 2001. These are all manifestations of the proxy war that is being waged against us from across the border. It is now more than clear that a large section of Pakistan's ruling Establishment does not

want peace and normalcy with India, and it is obsessed with sabotaging prospects of reconciliation between our two countries. These forces are also determined to prevent the return of peace in Jammu and Kashmir. But we will prevail. We are confident that peace and normalcy will return to Jammu and Kashmir.

We were able in the past to counter the subversive designs of these forces in Punjab some years ago. We have not so far accomplished this task in Jammu and Kashmir and that is why we in the Congress Party have all along given our consistent and broad support to the Government on this issue. Now, having received support from across the political spectrum, the Government owes the nation a clear and convincing explanation about the concrete results of its policy.

The troop mobilisation on our borders continues for the last five months. We salute our Defence Forces for their unflinching dedication and courage. We also expect the Government to share with us its understanding of the gains from this mobilisation as well as its long-term approach to it.

Mr. Speaker, Sir, ironically, the perpetrators of cross-border terrorism are regarded by some to be their allies in the war against terror. We see it otherwise. We see through their double standards, we see clearly their designs on the state of Jammu and Kashmir. Their words are loud but their actions speak louder still. The basic fact, Sir, is that Pakistan has not responded to the demands put forward to them by the government of India. The basic fact, Sir, is that 20 most wanted persons have not been returned to India. Nor have they changed their policy and attitude towards cross-border terrorism.

Mr. Speaker, Sir, we certainly welcome the world's new focus on the issue of terrorism. Much of the world, particularly the Western world, awoke to this menace only in September, 2001. We, in India, have known the tragic consequences of terrorism from long, long before.

We are told that the war on global terror is to be fought wherever terrorism exists. But so far, Sir, we see this as a statement of intent and not as a statement of facts. We are looking to this intent to be translated into action. It is high time we ask ourselves whether the international coalition against terrorism has at all helped us in any way?

We appreciate the concern that is expressed around the world. But we must recognize that ultimately we have to combat terrorism within our borders by ourselves. Apart from asking ourselves these questions, it is also necessary for us to introspect on whether we have done all that we could to sensitize the international world opinion.

But, Sir, here I cannot help feeling that our diplomatic efforts have been found wanting.

The latest outrage in Jammu has also exposed the weaknesses in our security apparatus. This was not unprecedented as such incidents have somehow coincided with the visit of foreign dignitaries. There are reports now that with the melting of snow, such incidents are likely to be repeated. In fact, they are likely to increase. We would like to hear from the Government what strategy or plan they have to protect the State of Jammu and Kashmir from such brutalities.

The steps taken so far by the Government have not proved to be effective. This, despite our continuous and unprecedented support, not only from us but also from all the Opposition parties. During the last few days, various statements have been made from within the Government and by the Government's allies. Different voices are saying different things. We believe that the nation demands that the Government be clear on its objectives.

Mr. Speaker, Sir, important elections are also around the corner in Jammu and Kashmir. We absolutely must ensure that nothing occurs to prevent them from taking place on schedule. We call, therefore, on all sections of opinion in the State to come forward and participate in the process. The Government at the State level as well as at the Centre must ensure that voters feel free to cast their votes without fear of those who seek to disrupt and destroy our way of life.

Mr. Speaker, Sir, the ghastly incidents that have occurred may tempt the Government once again to resort to customary rhetoric.

But, Sir, rhetoric is no substitute for strategy and vision. If the Government has a strategy, then let the Government spell it out clearly and once and for all. On our part, we will continue to stand by the Government on such vital national issues.

[Translation]

SHRI MADAN LAL KHURANA (Delhi Sadar) : Mr. Speaker, Sir, on last Tuesday in the early hours in a suicide attack on passenger bus of Himachal Roadways and Army Camp at Kaluchak on the outskirts of Jammu-Pathankot national highway, more than 37 innocent persons including family members of the army personnel, some of them women and children were massacred. How long such massacres would continue?

Mr. Speaker, Sir, after the incident of attack on Parliament on 13th December, 2001, which shocked the whole nation, this unfortunate incident of Kaluchak is the biggest incident. Today a discussion under Rule 193 is being held in this House in this context. Today all the newspapers have carried two main headlines. One headline is.....

"Aaj Kendra Sansad Mein karega Atankwad se nipatne ke liye yojana ka khulasa". The newsitem under this headline says that the Union Government would reveal in the Parliament all their plans to deal with Terrorism and the situation that has arisen after occurrence of the Jammu incident. It has also appeared in the newspapers that yesterday a meeting under the Chairmanship of honourable Home Minister Shri L.K. Advani was held which attended by Shri George Fernandes and Army officers. In that meeting certain points were discussed and some decisions were taken. Honourable Prime Minister has formulated some plan after deliberations with the allies NDA which is to be announced in this house today. The other headline is that the Chief of the Army staff has said – time has come to act against Pakistan. After returning from Kathmandu, The Army Chief, General S. Padmanabhan has said that the time has come to take action against Pakistan. So, today the whole nation is eagerly watching the proceedings going on in this house and the decisions that are going to be taken after the discussion is over.

Before I start, I would like to say that the former External Affairs Minister, Shri M.C. Chhagla had said that for us Kashmir is not just a piece of land but a living example of secularism. We would not tolerate anything against Kashmir. Tolerating anything against Kashmir means compromising with secularism. Even today Kashmir is not merely piece of land for us. We treat it

[Shri Madan Lal Khurana]

as a crown of the forehead of our motherland. Let the whole understand that we can sacrifice anything to defend Kashmir. India has paid a heavy price for Kashmir. I want to cite three-four example. Till now 60,000 innocent persons have been killed out of which 6000 to 7000 are soldiers. We have not lost as many soldiers in the three wars fought with Pakistan as we have lost in this Proxy War started by Pakistan. I would like to apprise the House of the decline in the number of tourists to Kashmir valley when terrorism was at its peak in the valley during the years 1990-1997. As many as ten lakh tourists used to visit Kashmir valley every year before 1990. The fear of terrorism spread to such an extent that this figure came down from ten lakh to a three digit figure e.g. 500 person in one year, 600 persons in another year and 700 persons in some other year. From this we can judge the height to which terrorism rose in Kashmir valley during the years 1990-1997. The decline in the number of tourists in the valley is the clear cut example of the height of terrorism.

I would like to give the third example in this regard which was a matter of discussion in the House a day before yesterday. Four lakh Kashmiri Pandits have been living as refugees in the camps within their own country for the last twelve years. This is something that we have heard for the first time. When India was divide, at that time we also had come from Pakistan as refugees. We had come from a different country but it is the result of proxy war or terrorism that people are forced to live like refugees within their own country. Today they are leading a miserable life. The entire family is forced to live in a small size room and now their children have grown up and there are no arrangements for their education. The Parents have to arrange for marriages of their children. What I want to say is that the Government must pay attention to all these things.

Fourth example that I would like to quote is that despite all attempts to restore peace in Jammu and Kashmir, violence has not stopped. According to the newspapers, the list of incidents in Budgaon district is pretty long but I do not want to take much time and only want to draw attention of the House to only two-three incidents. When our Prime Minister was travelling by bus to extend his hand for peace, at that time 27 Hindus were killed in Pathankot and Udhampur region of Jammu.

25 Hindus were killed in Chapnari of district Doda, 16 Hindus were killed in two villages of district Doda, 33 labourers were killed in Kalaban of Himachal Pradesh. There are many other examples. We all know that when Shri Clinton came to Delhi, at that time 5 Hindus Drivers were killed near Kazikood in Jammu and Kashmir, 35 Sikhs were killed in Chhathisinghpura, 31 persons including Amarnath pilgrims were killed in Pahalgan.

There are many such examples. As has been said just now that when Ms. Rocca of America visited India, then this incident has happened about which we are having a discussion today. When Parliament was attacked, at that time we were advised to show restraint and even today we are being advised to exercise restraint.

I want to state that the terrorists strike on Parliament House on 13th December, 2001 was termed as a blatant attack on the heart of the biggest democratic country of the world and it was compared with the 11th September attack on USA after which the history of world had taken a new turn. Both these incidents are the examples of Jehadi war against the modern democratic world. Is the World Trade centre of America more important than the parliament of India? When terror attack was made on the American World Trade Centre, it was the USA which rocked the whole world. But thereafter Parliament of India was attacked. Even today marks of bullets can be seen on the walls of parliament. Parliament House is the heart of India. It is the heart of Democracy, it is the symbol of our sovereignty and it has been attacked. The attack made on Parliament of India is comparatively more fierce than the attack made on the World Trade Centre. Trade Tower was attacked when aircraft banged into the twin towers but the terrorists entered the parliament complex and whatever they did and whatever happened thereafter, is known to everyone. America attacked Afghanistan after its World Trade Centre was attacked, but India is being advised to exercise restraint.

When Kargil action was going on, Prime Minister of Pakistan Nawaz Sharief visited America to meet the American President, Bill Clinton, Shri Bruse Reader, special assistant to Shri Clinton was also present in the meeting in which both the President Clinton and the Prime Minister Nawaz Sharief were present. After the meetings, assessment of both the leader was that.

[English]

"Musharraf was a hardliner who wanted to humiliate India in Kargil".

[Translation]

This was the assessment of the American side that emerged during the course of discussion about which Shri Bruce Reader reported. But how the assessment of America towards Pakistan has changed after the Kargil conflict that America is now saying that India should trust Pakistan and resume negotiations with that country? Kargil committee has also said;

[English]

"Musharraf is an unreliable duplicator and hardliner of India"

[Translation]

on 12 the April, Musharraf has clearly stated that.

[English]

"India is a hegemonistic power".

[Translation]

"The issue of Kashmir is an alibi. Our target is to divide India".

My submission is and the Government is also aware of the fact that we supported America in the Afghan War against Taliban. During the course of war, on the request made by Musharraf, America allowed three-four thousand terrorists of both Jaish-e-Mohammed and Harkut-ul-Mujahideen a safe passage and entry into Pak occupied Kashmir. And now the same terrorists are indulging in such activities while living in Pak occupied Kashmir. Is America not responsible for all these things?

I want to submit the country has fought three wars with Pakistan since 1947. In all the three wars, we have seen that our forces won these wars in two battlefield but the then politicians lost in diplomacy when the matter came to the negotiating table. For example when Kabaylis attacked Kashmir in October, 1947 and they reached near Srinagar, at that time the then Maharaja Hari Singh signed the instrument of merger with India. Our forces went there and started driving the Kabayalis out. And when our forces

started pushing back the Kabayalis, at that time Cease-fire was ordered and then the matter reached the UNO. Our view is that if our forces had not been stopped for five-six days at that time, and cease-fire had not been ordered, then today....(Interruptions)

[English]

SHRI PRIYA RANJAN DASMUNSI (Raiganj) : He is talking of 1948 today....(Interruptions)

[Translation]

SHRI MOHAN RAWALE (Mumbai South Central) : This is a reality....(Interruptions)

MR. SPEAKER: You please sit down, I will tell Shri Khuranaji.

SHRI SATYAVRAT CHATURVEDI (Khajuraho) : We had started the discussion in the right spirit and no allegations/ counter allegations were made therein.

MR. SPEAKER : I have understood your spirit. You take your seat. Khuranaji, you please listen for a minute. When this discussion was started, at that time I had said that it is a discussion of serious nature. In this discussion, we can delve into history as much as we like but while doing so, we must see that nobody's feelings are hurt. So, I think, that we should participate in this discussion maintaining full decorum. The entire country is watching us as to what we are discussing. What has happened in the past, the entire country knows that. I would suggest that you should make your speech and avoid such things. There should not be any allegations/counter allegations.

(Interruptions)

[English]

SHRI SHIVRAJ V. PATIL (Latur) : Would you please yield for a moment?

Sir we would like the discussion on this subject to take place at a very high level and in a responsible manner. If issues that require replies are raised, there would be replies, the standard of the debate would not be maintained and the objective for which we are discussing this subject would not be achieved. As you have already said, may I again request, through you, that the standard has to be maintained. If it were not maintained, it would be difficult for all of us to say things that we would like to say.

MR. SPEAKER: I agree with Shri Shivraj Patil.

[Translation]

THE MINISTER OF HOME AFFAIRS (SHRI L.K. ADVANI) : I think that level at which the leader of the opposition has started today's discussion, there is no question of leveling charges against one another at that level. We are not thinking of the past. We are thinking of the present and the future. It would be better if we keep this thing in mind and proceed with the debate on these lines. I believe that it would be better if we maintain the level at which the discussion was initiated.

SHRI MADAN LAL KHURANA : I would not give examples. My submission is that in all the wars which India fought so far, we suffered defeat at the level of diplomacy. It has happened for the first time that we have won at the level of diplomacy too under the leadership of Vajpayeeji in the wake of the fight against terrorism. America, France and England which had never supported us, are at present supporting us against terrorism due to the diplomacy of Vajpayee Government.

Mr. Speaker, Sir, I would like to submit that the country has many expectations from the Vajpayee Government. I hope that this Government would take some steps in their fight against terrorism and announce the same today. I would like to make some suggestions in this regard. A decisive war be fought to teach a lesson to Pakistan. In the wake of the terror strike on Parliament, the Prime Minister had said that now we would have to fight an all out war against terrorism. It should be spelt out as to how that is going to be translated into action. Apart from it we must tell Pakistan that enough is enough. My suggestion is that we should make direct attack on the training camps of Pakistani Terrorists based in Pak occupied Kashmir. What I want to say is that if in the wake of the terror strike of 11th September, 2001, America can attack Afghanistan which is thousand of miles away from America and change the government of Afghanistan, then why India cannot occupy the Pak occupied Kashmir.

My another submission is that it is not enough to take diplomatic steps only and call back the High Commissioner from Pakistan and cancel Samjhauta Express train and Lahore Bus service. If Pakistan continue to abet terrorist activities with the same pace, then we will have to sever our diplomatic relations with Pakistan. India has given the

status of most favoured nation to Pakistan in the field of trade, education and culture. We should withdraw that status.

My fourth suggestion is that with the termination of Indo-Pak water treaty, the share of Pakistan in the waters of the Indus river originating from India can either be reduced or completely terminated. Although some international laws would come in our way to arrive at this decision, but India must go to that extent to root out the terrorists operating from across the border.

My fifth suggestion is that we are demanding from America to declare Pakistan as a terrorist state. But India can take the initiative and declare Pakistan as a terrorist state. It would mean complete severance of relations including communication and media relations with Pakistan.

Lastly, I would like to submit that T.V. channel "Aaj Tak" has asked a question from the viewers of the channel. The question is whether India should attack the hideouts of terrorists located across the border. I have seen the T.V. Channel today morning upto quarter to eleven. 68 percent people have replied in the affirmative and only 32 percent people have replied in the negative. Today the whole country is watching the proceedings of the House. Today, as the leader of opposition has stated in this House, let the whole country and this House pass a resolution and request the Government to take action against Terrorism. The entire house and the whole country is demanding from Vajpayeeji that he should march forward in this direction and whole country is with him.

[English]

MR. SPEAKER: The next speaker to speak on the issue is Shri Somnath Chatterjee. But before he starts his speech, I would like to bring to the notice of all the political parties about the time that has been allotted to them. The BJP has been given one hour and twenty minutes time; the Congress has 50 minutes; CPI(M) has 15 minutes; Telugu Desam Party has 12 minutes; Samajwadi Party has 12 minutes; Shiv Sena has seven minutes; Bahujan Samaj Party has six minutes; DMK has five minutes. I have read about the major parties. I will let you know about the other parties in due course of time. I want that every Member of the party to restrict, or by understanding, his timing so that the debate is finished in time.

Shri Somnath Chatterjee to speak now.

(Interruptions)

SHRI SIMRANJIT SINGH MANN (Sangrur): Sir, what about the Akali Dal?

MR. SPEAKER: Their timing has been given. I will read it at the right time.

(Interruptions)

SHRI SOMNATH CHATTERJEE (Bolpur): Mr. Speaker Sir, of course, we will all try our best to conform to your kind wishes. But, I believe, that this is such an important debate, it should be treated on an appropriate footing. So, I will try my humble best.

Sir, on behalf of my Party, I must strongly condemn the dastardly as well as the cowardly attack that took place at Kaluchak in Jammu in the early hours of 14th of May when innocent lives were lost, amongst whom were children and women. We convey our sincerest condolences to the members of the bereaved families.

Sir, although the attack initially started in the bus, yet it appears that an army camp and the family quarters of the army camp were the real target. That is a very disturbing factor. Apparently five people could go there and even two could get away from there. However, three of them could be dealt with.

Sir, we consider that nothing is more condemnable than the killing of innocent people and nothing are more heinous than acts of terrorism, which are equally senseless and also they are against humanity itself.

Sir, I have no sufficient words to condemn this incident except to express our resolve that we should fight the menace unitedly and comprehensively.

We consider this as an act of deliberate provocation from across the border to worsen the situation in the State of Jammu and Kashmir and to affect and halt all political processes for restoration of normalcy there, specially in the context of the coming elections.

We share, on the basis of the Government's assessment, that the militant organisations like Lashkar-e-Toiba and Jaish-e-Mohammad, in their new nomenclatures,

are responsible for these incidents and they are operating from Pakistan itself. No doubt, the entire House and the entire country will condemn these incidents as we do. So far as the different political parties in this country are concerned, I believe, there has been no occasion in the past when all the parties have not fully supported the Government in its fight against terrorism. We totally accepted the Prime Minister's decision of not initiating combat operations in November, 2000, or of its extension. Whenever we have been consulted, we have readily accepted the Government's decision without any murmur. When they resumed it, we were told, we accepted that position. We said, "It is entirely for you. You are the authority. You have to do it". We strongly supported the Government's action in dealing with the dastardly attack on this great Parliament of ours, even though there were many questions to be answered about, what we feel, the failure of the Government to protect this great building. Everyday we are witnessing that repeated attempts are being made, mostly across the border, or at least inspired by those who are on that side of the border, to disturb the even tempo of life in this country. Specially, they have targeted the institutions which are symbols of democracy, of which we are all proud participants. The attack on the State Assembly in Srinagar on 1st of October last year when there were large casualties, the attack on this Parliament building on 13th December and also at the American Centre in Kolkata on 22nd January, on every occasion, the country stood together as one and resolved to put up united fight against all forms of terrorism, both internal and across the border.

We accept – I believe, that is the position unless the Government tells us something else – that the hands of Pakistan are involved in this. We have always condemned strongly the acts of cross-border terrorism, the proxy war, as it is being said. We have always expressed our strong condemnation that Pakistan is allowing the use of its territory as a base for attack on our country or for providing training to the militants. Therefore, I do not think there will be any two opinions that our country, which is proud of its commitment to certain basic human values, some democratic traditions we have adopted, we should stand as one, united, in the fight against the most heinous offences that can be committed against not only innocent people but, as I said, against the humanity as a whole.

[Shri Somnath Chatterjee]

13.00 hrs.

But, Sir, the main question arises : What is to be done and what steps should be taken. Here, we have to depend entirely on the Government and the hon. Prime Minister's leadership. It is for the Government to protect the nation and the people. The Government must have a plan of action. We feel that as a mature nation we should respond in a mature fashion. Sometimes strong language is being used; threats are being heard. Even jingoistic postures are taken. We find it even from some friends in the ruling Party who are very much disturbed. I am not making any imputation at all. Please do not misunderstand. But that shows their sense of outrage. They say : 'You go to war immediately; take over Pakistan; send military' etc. Then we did some talking of 'limited war'. We do not know and understand what is this 'limited war'.

Therefore, this is what we would like to know from the hon. Prime Minister – I ask with all humility. The House is with you, supporting you. The nation is supporting you. You take the country into confidence. ...*(Interruptions)*

[Translation]

SHRI BRAHMA NAND MANDAL (Monghyr) : Please tell us to what suggestion you want to give from your side?

[English]

SHRI SOMNATH CHATTERJEE: With such friends, you do not need any enemy.

As I was trying to say, I am not saying that the Government is not keen; I am not criticising the Government. But the plan of action has to be yours. I am sure you are aware, you are conscious of your duty to protect the territory and the people. But as a responsible country, what would be our response to this situation? Whom can I ask except the Government and the hon. Prime Minister? We have been very conscious—and rightly—to create an international opinion against acts of terrorism and the country which is encouraging it, as we conceive it to be. We have been very very keen that the most powerful nation in the world, especially in the context of the 11th September attack, will exercise its influence over its ally in the sub-continent and that Gen. Musharraf would be compelled to take firm action against the fundamentalists and terrorists operating from Pakistan.

Now, I would like to know one thing from the hon. Minister of External Affairs – a very articulate and I am sure one of the limited number of outstanding Ministers you have Mr. Prime Minister. What do you perceive to be the role of the USA? Now we are having a number of visitors, high-level dignitaries coming here from the USA. You are now carrying on joint exercises. We are seeing now the beautiful spectacle of American and Indian soldiers going hand in hand in our territory. We are seeing new types of scenes.

Mr. Speaker, Sir, I would like to know as to what is the position with regard to this international cooperation against terrorism, headed by the USA? We promptly offered our help in the context of 11th September attack to the USA. We said : 'Come here, you can use our land, whatever help you want, we shall give you'. You offered it forthwith. Of course, they did not take it because they have preferred ally in the sub-continent. We know who it is.

Sir, I am not, particularly, raising any controversy with regard to the role of the USA or the joint-exercises, today. Our views are well known. I would not like to raise it today because we want to give a message to the country. But Sir, I am entitled to know what is the outcome of our efforts to create international opinion regarding our fight against terrorism. What is the perception of the Government?

Now, USA has its own Army, its own military presence in Pakistan in the name of fighting Al Qaeda and Taliban. At the moment, I am not saying anything about it. But even then, does the USA know or does the USA not know about the role of these people who are indulging in cross-border terrorism? Do they or do they not know? Recently, US Assistant Secretary of State came. What did you know from her? She has gone back there. What is the message she has given? I am asking this because we are very strongly relying on the international opinion. Therefore, although we are trying to extend our helping hand to them to fight terrorism, what is the reciprocation? This has to be known. This has to fit in your overall plan of action. I believe, you are also referring go it.

Sir, our strong condemnation of what has happened on 14th May does not mean our condonation of this Government's failure. The Government has to have its own ideas as to their plan of action. Sir, only one month back

there was a reply given to a very pointed question on the floor of this House only on 16th of April. The question was about the steps to be taken by the Government to bring back normalcy in Jammu and Kashmir. Sir, with your permission, I am reading the reply :

"The Government is committed in its resolve to wipe out militancy from Jammu and Kashmir and to usher peace and normalcy in the State as soon as possible."

Only one month back, this statement has been given. It further reads:

"In addition to continued diplomatic initiatives at the various levels, redeployment of troops at border, Line of Control, and intensive pressure on terrorists in the hinterland, the Government, conjointly with the State Government, has adopted a multi-pronged approach to contain cross-border terrorism perpetrated by Pakistan's ISI in Jammu and Kashmir which includes inter alia strengthening border management to check infiltration, pro-active action against terrorists within Jammu and Kashmir, gearing up intelligence machinery, greater functional integration through an institutional framework of operation groups and intelligence groups of the UHQ at all levels, improved technology, weapons and equipments for security forces and action as per law against over-ground supporters of the terrorists".

Out of one such sentence, Shri Vidyasagar Rao has covered everything. He is a young man.

Sir, I would request the hon. Prime Minister to kindly deal with each and every sentence in his reply because he has said only one month back that this is their strategy. Kindly tell us what steps are taken.

Now, it is said that the strategies, tactics and dynamic deployment to counter the terrorists are constantly reviewed, refined and monitored in the Unified Headquarters in the State and in the operation groups at various levels. When was the last review done? What were the tactics decided? What was the dynamism in the deployment of your anti-terrorist activities? What was the review? When was the last review done? Sir, this is not my statement. This is the commitment of the Government to

the nation with regard to the situation in Jammu and Kashmir.

Sir, we are told that there is this multi-pronged strategy. I am reading only the Government's version—this reply was given on the 7th of May, today is 17th of May, ten days back. What is the Government's answer to a question pointedly on this ?

"The Central Government jointly with the State Government of J&K has been pursuing a multi-pronged strategy to bring peace and normalcy to the State of J&K and strengthen the socio-economic development. The three major prongs of strategy are proactive tackling of cross-border terrorism within J&K."

I implore you, Mr. Prime Minister, with all humility, for the sake of the nation—your Government has said this on the floor of this House only 10 days back—let us know this. I find that all sorts of answers are put on Shri Vidyasagar Rao. There is no action. What do you mean by 'proactive tackling of cross-border terrorism'?

"(2) accelerate the economic development of the State; and

(3) being prepared to talk with any group of people within the State, who eschew the path of violence and who may have any legitimate grievances. Necessary refinements are being made in the strategy as per requirements from time to time."

"Refinements are being made, etc., etc..." this is how the English language is useful.

Sir, so far as the policy with regard to economic development is concerned, I am trying to avoid confrontational issues because these are all Government replies, this was the answer given on the 17th of April in the other House.

"Presently, there is no proposal under consideration for a major socio-economic package in Kashmir."

You say that you want to tackle the terrorism and try to improve the situation of the people of Jammu and Kashmir, but you admit that there is no proposal even

[Shri Somnath Chatterjee]

under consideration for a major socio-economic package for Kashmir.

Now, one of your staunchest allies said—of course, we are not happy; our unhappiness is known that he has chosen you for company—that there was a demand for autonomy because there is a feeling of alienation among the people of Jammu and Kashmir. Now, you have rejected the plea of autonomy totally, but is there any other way out? You should bring them within the mainstream. I share the agony of Shri Madan Lalji that a large number of people of that State are now in relief camps, as we can understand the agony of the people in the other State, in the Western part of our country, where people are in refugee camps. Therefore, these are very serious matters, and we request the hon. Prime Minister to answer them. That will give, at least, some sense of security and confidence to the people of Jammu and Kashmir because they are bearing the brunt of it.

Sir, the Assembly elections are coming near. Even now, today, the Government is not very sure of participation of all section of the people of Jammu and Kashmir in the coming elections. I am not happy, but the fact is that the State Government stands isolated for reasons which are known from the people. You have to take the country into confidence and tell us what are your proposals to make democracy function and operate within that important and integral part of our country in an effective manner. In this context, when so many other proposals of yours have not been able to be translated into action, this talk of military operation is a matter which, I think, is to be very seriously thought of.

Sir, I know that uptill now we have not been told of such an option. But there is, from within the ruling party, a demand for a war. I apprehend that some of the allies will say that here. Some say that the Government should go to war—some say 'limited war', some say 'full-scale war'. But many eminent Defence Experts have said that there is no concept known as a 'limited war'. Please do not forget that alongwith our country, Pakistan also is a nuclear country. Many experts have expressed their fears about the consequences of making such a demand.

Mr. Speaker, Sir, there has been a large scale mobilisation of forces. We have not raised any objection to that. Now, the Forces of the two countries are facing each other for the last four months. We are not saying that the Government should withdraw them. But it is apprehended that because of the removal of the Army from some of the internal security duties that they have been doing rather successfully, in Jammu and Kashmir the situation is going to get worse. I am not asking the Government to give any information regarding the deployment of Forces per se but every step should be taken to protect the lives of the people of Jammu and Kashmir. We have said and we reiterate and we should reiterate every moment that Jammu and Kashmir is an integral part of our country. The Simla Agreement is there. There is no question of jettisoning it, I take it. Therefore, it is essential that we should, as a mature, civilised and a strong nation, a united nation, take effective steps for the purpose of solving this problem.

Sir, if I may just conclude by giving suggestions what we feel necessary. A three- pronged approach should be taken:

1. Stepping up of diplomatic and political pressure on Pakistan Government to take effective steps against extremists;
2. effective steps should be taken to strengthen the political process in Jammu & Kashmir and offering autonomy as the basis for negotiations; and
3. heightening vigilance and security measures to check hardcore extremists.

Sir, these measures can somewhat meet the situation that is still quite explosive. I appeal to all sections of the House, as we perceive, that jingoistic utterances or proclivities by anyone in this Government or anyone connected with the Government will seriously complicate the situation and will not bring about a solution to the Kashmir issue.

Sir, I would urge upon the hon. Prime Minister that he has been making commitments to this country. I have reminded him of some of his commitments. I would request him to take the House into confidence, and through the House the entire country in to confidence, and say that his Government means business. What has been happen-

ing now-a-days when some serious incident takes place? We gather together, express our condemnation and then the Government tells that they are very much concerned about it and that the Government would take steps against it but we wait until the next incident comes. Again, we come together, join in condemning the incident without being able to solve it. Let this not be repeated in future.

Sir, please excuse me if I have exceeded the time, but we, once again, wish to associate ourselves with the condemnation of this heinous incident and pledge our commitment to fight unitedly against this barbaric thing, namely, terrorism anywhere in this country.

MR. SPEAKER: Normally the lunch recess is for one hour but today I have decided to reduce the time. Now, the House stands adjourned to meet again at 2 P.M.

13.19 hrs.

*The Lok Sabha then adjourned for Lunch
till Fourteen of the Clock.*

[English]

14.04 hrs.

*The Lok Sabha re-assembled after Lunch at Four
Minutes Past Fourteen of the Clock.*

[MR. DEPUTY-SPEAKER in the Chair]

DISCUSSION UNDER RULE 193

Terrorist Attack on bus passengers and Army Camp at Kaluchak in Jammu—Contd.

MR. DEPUTY-SPEAKER : The House shall now continue the discussion. Shri Yerrannaidu.

SHRI K. YERRANNAIDU (Srikakulam) : Mr. Deputy-Speaker, Sir, the attack that took place on the 14th of this month is a heinous crime. It is a barbaric act. Killing of 31 innocent people, women and children including our Army officers, is an act of frustration.

This is a perennial problem. After every attack, we are

discussing about that on the floor of the House, but there is no remedial measures taken so far. Pakistan is continuously forcing intruders or militancy on India, particularly in Jammu and Kashmir.

The Government of India took a decision to have cease-fire in the month of November 2000, saying that it will not initiate combat operations against militancy during the month of Ramzan. The Government took peace initiatives. But even during those days, there were 2142 violent incidents in which 597 militants were killed in Jammu and Kashmir, compared to 16,072 violent incidents and killing of 985 militants in the previous 185 days.

The Telugu Desam Party has always backed the Centre in matters of national importance, particularly on national security matters. On the floor of the House, on several occasions, various political parties have given various suggestions. We have a lot of force on our borders now. Major chunk of force has been deployed on the borders now. I could not understand how it is possible for hundreds of persons to intrude in to our borders. So, there is Government's failure; intelligence failure is also there. We have imparted good training to those people who are on the borders. In that case, what is lacking? Every month, hundreds of intruders are sneaking into our country. They are killing innocent women and children, including armed people. The Government should take effective and concrete steps to contain terrorism and punish those persons responsible for suicide attacks.

The Government of India also had asked the Pakistan Government to deport 20 persons who were involved in so many crimes in our country. But so far, there is no response from the side of Pakistan.

What is the role of U.S. Government in South Asia ? What are they doing? They were not talking about terrorism before the attacks of 11th September. After the attacks on World Trade Centre on 11th September, everybody is talking about terrorism and cross-border terrorism, including the Western world. But for the last 20 years, we are facing terrorism, and cross-border terrorism. So far, about 65,000 people were killed including civilians and armed people. We are paying a very heavy price on this.

Recently, the US Assistant Secretary, Ms. Christina Rocca visited. What is the message that she brought to

[Shri K. Yerrannaidu]

our country? What is she doing after her interaction with the Indian Government—the Prime Minister and other Ministers? She also met Gen. Pervez Musharraf. What is the perception that India Government has after her visit? The House should know all these things.

We have to deal with terrorism and cross-border terrorism effectively. Every time, we are discussing the issue. The Government is also answering after the debate. We are taking all steps to prevent terrorism and cross-border terrorism; but every month incidents are taking place. We are all united on this issue.

At the time of Gujarat earthquake, the Government of India imposed two per cent tax. The whole country accepted it. Even in this Budget, the Finance Minister imposed five per cent tax for defence purposes. The whole House and the whole country accepted it. On matters of national issues or national security issues, the whole country is united; the people of this country are united; and the whole House is united. What is the plan of action? 'Action', does not mean, attack on Pakistan. Attacking Pakistan is a separate issue.

But in the meanwhile, what are the Government agencies doing? Why are we not preventing all these things? Why are we not preventing these intruders to come into our country? We have to initiate steps on all these counts. We have to take them before the final course of action.

We have fought three wars, in addition to the recent intrusion by Pakistan in Kargil. We have given a befitting reply to Pakistan. Whenever there is a national crisis, the country as a whole has stood united. All the political Parties are behind the Government. If such things happen, it amounts to failure of the Government. So, the Government has to analyse the whole thing and take action to stop further killings.

Our *jawans* are working day and night for the security of our country. They are sacrificing their lives but what are we doing for them? All Political Parties are supposed to give good advice to the Government. If the Government initiates any action to curb terrorism, it has the sanction of the whole House. After the attack on the World Trade Centre on 11th September, President Bush sought the

sanction of the House for 5 Billion Dollar but the House sanctioned 20 Billion Dollars. This shows that on a matter of national concern, they are all united. Similarly, we have to show our unity in India.

TDP will whole-heartedly support any action taken by the Government in this regard but hereafter the killings in Jammu and Kashmir should be contained. To control terrorism in the State, they are asking for autonomy. To what extent can we give them autonomy, we have to think. We have to remain in touch with the Government of Jammu and Kashmir. If we really wish to prevent cross-border terrorism, we have to give them full support. My Party will support the Government of India on this issue of national security. We are behind the Government. It has to decide what action is needed to curb cross-border terrorism.

[Translation]

SHRI MULAYAM SINGH YADAV (Sambhal) : Hon. Mr. Deputy Speaker the terrorists have committed a heinous crime by breaking into and attacking the housing complex of army in Kaluchak of Jammu Kashmir on 14th May... (Interruptions)

[English]

SHRI K. YERRANNAIDU : Sir, TDP was given 12 minutes' time and I have taken only nine minutes.

MR. DEPUTY-SPEAKER : Thank you for reminding me.

[Translation]

SHRI MULAYAM SINGH YADAV : We condemn the attack on innocent children, women, security forces, *jawans* and on their families by terrorists who broke into the housing complex to the *jawans* in Kaluchak (Jammu). Whereas I condemn the attack, I also condemn the inadequacy of the security system. I would like to state that Kashmir has got nothing during the period of 55 years of independence except violence, murders, arson, killings of innocent children, killings of security forces and farmers. The farmers living in the bordering areas are not able to cultivate any crop because every other day their crops are destroyed. The farmer is neither able to live nor die. This is the state affairs. There is abject poverty, unemployment

and absence of means of transport in Kashmir. What Jammu-Kashmir has got. I would like to ask the Government that whereas we are contemplating upon the action to be taken against terrorists for combating terrorism we are making resolutions, what this Government is giving to the Kashmir is to instil confidence in them. I believe that if Kashmir were given all the facilities they would have themselves turned away the terrorists.

It was because of cooperation and support people of Jammu - Kashmir in 1947-48 that today we are occupying about two - thirds of Kashmir which is an integral part of India. But so far Kashmir has not got anything. Elections are going to be held there, God knows as to what sort of security would be provided during the elections. I am afraid the terrorists may further deteriorate the situation.

As far as the incident of kaluchak is concerned I do not wish to go deep into this subject. When Amarnath pilgrims were attacked in Pehalgaon discussions were held on that incident, statements were also made and prior to that Kargil war was fought. At that time we had discussed both the incidents. It may be remembered that the world community was in favour of India. In regard to war we also suggested that the camps of terrorists sponsored from across the border, attacked. During Kargil war the entire World Community acknowledged that it was a mistake on the part of Pakistan. At that time the opinion was in India's favour. We had also urged upon the Government to give orders to deploy the forces across the border at that time, you had an opportunity, but the army was stopped. Now, it is dangerous. The Government lost the opportunity of teaching Pakistan a lesson several times. It was a real opportunity that was lost. Thereafter, another opportunity came when the Jammu-Kashmir assembly was attacked on 1st October and the Parliament was attacked on 13th December, because the entire world had taken these incidents seriously. When the World Trade Centre was attacked on 11th September by terrorists the entire world stood up in favour of America, but we believe that the two incidents of attack on Jammu-Kashmir assembly and on Parliament were more serious in nature than the incident of 11th September. We should have taken the world community in our favour at that time, but the Government could not exploit that opportunity, it was our failure. That was the most opportune moment to attack Pakistan and

we had asked the Government to do it. We lost that opportunity as well, now are getting that even. We give all kinds of warnings that there is a limit to our patience, we will run out of patience any time, the limit has already been crossed. Hon. Prime Minister, do we really have any limit to our patience? And if we have any limit to our patience, why we have been enduring all this? The people of this country do not believe in whatever you say. They don't have any faith on you rather they have objection and distrust in you. Hon'ble Defence Minister had recently stated and on earlier occasions as well that if the army were given permission to go across the border they could attack as our forces are fully prepared to attack. From whom you seek a permission? Hon. Prime Minister is there, you yourself are fully capable then whose permission do you attacking terrorists. Nobody's permission is required for this. I have also been the Minister of Defence. I want to cite this example that during the days of tension on border the then Prime Minister had sleepless nights, but I do not want to quote that incident. At that time these very Members of Jammu-Kashmir assemble had congratulated us for military action but we had never made any publicity of our warnings in the Newspapers. You have given warnings but are seeking permission but why? If Prime Minister cannot give permission then direct us to that authority whose permission is to be sought, we will plead before him and urge upon him. We know that from whom you are seeking permission but you will never be granted. He has already told that he is helping Pakistan, and giving it weapons too. He is with Pakistan completely and his force are deployed in Pakistan and is grateful to the cooperation given by Pakistan during its attack on the Taliban regime. With Pakistan's cooperation it has been able to destroy and vanquish the Talibani terrorists and outfit in Afghanistan.

Will they not consider the practical aspects? Will America permit them? That is why I had told in the very beginning that the fight against terrorism has to be fought on our own. Now things have come to such a pass where they would have to take permission from America to wage a war and I am sure America is not going to oblige them. The Home Minister on his part is busy convincing the World that terrorism is a threat to the entire world. He is worried about the World, but we are worried about India. We should be worried about maintaining the freedom of

[Shri Mulayam Singh Yadav]

India but the Home Minister is more worried about the World. The Home Minister's not present in the House even when we are discussing such an important matter. He should reply to it.

Our Government lent support to America. That was a good thing. Our party supported this decision of the Government as we have always been doing on occasions like this. Even now we have our support to the Government. The Samajwadi Party is ready to give full support to the Government for any effective steps that the Government might be taking against terrorists. But now Home Minister says that terrorism poses challenge to the entire world. U.S. Assistant Secretary of State Christina Rocca had recently come to India who later on also visited Pakistan. On that occasion India should have opposed her visit to Pakistan, rather India should have mounted pressure to get her visit to Pakistan cancelled. We should have clearly stated to her that since there was a terrorist attack in India while her tour to India was still continuing, so she should not visit Pakistan.

May be India is not desirous to wage a war or mobilise the army I would like to tell Khuranaji and they are also aware that there have been several occasions in the Past when India should have acted decisively. If the Government are not interested in the opinion of war, they can take recourse to yet another thing and other alternative. They can stop the supply of water from Sindh river to Pakistan, the treaty with Pakistan in regard thereto should be rescinded. We all are aware of the scarcity of water in India. We do not have enough drinking water or water for irrigation purposes. If even this much is done by the Government, there will be no need left to wage a war. The Government should muster courage, we will stand by their side. They can stop talking of a final war or mobilising the army by doing only that much. Talking big is of no avail today. A decision to be taken or a declaration of war to be made cannot be done here in Lok Sabha, nor do we want that any such declaration be made from this platform. We will give our suggestions if they want. We do not demand that any declaration regarding war be made here. Actually such a declaration should have been earlier by the Government. Neither diplomacy nor foreign policy of the Government has succeeded. They had the sympathy of the entire world we had also

expressed the view that the Government should do something because Pakistan was actually under pressure from outside world. The Home Minister went to the extent of saying that America and England might impose sanctions. They also have good relations with America, the Minister of External Affairs makes frequent visit to America. The Government should explain why they do not get those sanctions imposed. How far America and England are with them? We had supported America, even now we are with America in its fight against terrorism. But the point is whether America is reciprocating in the same manner in our fight against terrorism unleashed against India at the instance of Pakistan? Is America mounting pressure on Pakistan? If so, the extent thereof? The Government should take all these things into account. They will have to decide as to what sort of relationship India will have with America. The entire nation is, therefore, in anguish today on this issue. Saying repeatedly that any harsh step taken against terrorism runs the risk of a nuclear war from Pakistan's side, is only serving to demoralize India and boosting the morale of Pakistan by the same token. This is our clear view that frequent reference to the threat of nuclear war has a demoralizing impact on Indian people and with security forces and at the same time it adds to the morale of Pakistan. Pakistan is not missing any chance of committing mischief. Instead of apologizing for recent incident, the Pakistani rulers are saying that this attack was provoked by the atrocities being committed by Indian security forces. This is the version of Pakistan. The Indian side missed the chance of teaching a lesson to Pakistan when it came their way. What will you do now? We will support the govt. if the Govt. take some bold steps. But that requires firm resolution, political will and heroic action. But this Government has neither of the firm solution, nor political nor even a semblance of heroic courage. This is a fact. This is why we have always been at the receiving end of it. The terrorist comes from across the border and kills civilians and security personnel. When we are numerically eight times more than them, we should kill 16 times more men belonging to that country to achieve any tangible results. I actually did that. When I was the Defence Minister I was told that nine Indian army personnel had been killed by Pakistan, then we killed many times more Pakistani army personnel. We did it in a very planned manner. We did not hold any talks, nor did we give any sort of warning to execute than Plan. If our one security personnel is killed, then at least eight terrorists should be

killed in return to put the record straight. In addition to that eight more should be killed our security forces are valiant enough but Government is lacking will power and firm resolution. How far will they be under the pressure of America. The Defence Minister cannot be allowed to compromise with the dignity and esteem of the country by owing to American pressure. The Defence Minister has been speaking at length on the national security issue in the past. But where has his talent, resolution and courage gone after assuming the office of Defence Minister. When there was a war with China it was Dr. Lohia who made us aware of our boundaries and also outlined our policy towards our neighbours. Have the Government forgotten all that? With the holding of the Defence portfolio by a Socialist, the opportunity had presented itself for the pursuit of the policy as was outlined to us by Lohiaji. But alas, the Defence Minister has forgotten all those policies.

The Defence Minister should have apprised the present Government of that foreign policy as also of the kind of relationship which we should establish with our neighbours because those who are at the helm of affairs are unaware of that. Otherwise, India's diplomacy would not have failed thus. Dr. Lohia had prepared India's foreign policy at the time when Nehruji was the Congress President. That policy was implemented by Nehruji, the first Prime Minister of India. Now it is the turn of the present Defence Minister who should do something outstanding, then I shall be happy.

Thousands in India have been killed while America does out the advice of peace and practice and restraint to us and here is a government who is allowing to be put to daily drubbing, George Washington, the first President of the same country had said, "the most effective way of maintaining peace is to be always prepared for war". If there is an attack in that country by whose advice we are going, they reserve the full rights to hit back, but when there is attack in India, we are advised to exercise restraint, maintain peace and keep patience. Shri Yerrannaidu rightly said that America can provide arms and financial assistance to Pakistan and can enter into agreements with Pakistan and can take measures for poverty alleviation in that country and moreover, waive off their outstanding loans and can have Nawaj Sharif released from jail and can issue diktat for his release after his arrival at airport.

America can do all that, why do the Government expect America to take any action against Pakistan. The need of the hour is that America should put pressure on Pakistan. Even now there is a scope. If the Government think that America is helping them then they should get Pakistan pressurized. The Prime Minister, the Home Minister and External Affairs Minister have all along been striving hard to get Pakistan declared as a terrorist state but they have not succeeded in their efforts. What to talk of getting Pakistan declared as a terrorist state, they have not succeeded even in putting pressure on Pakistan. America and England have not put any pressure on Pakistan. They still have an opportunity to have the pressure applied on Pakistan.

The Home Minister and Defence Minister have talked of Pakistan's hand in this terrorist attack? If Pakistan had a hand in it then what decision has the Government taken in regard thereto? The House should be apprised of it. If they can't tell us, we would not compel them. If they would prefer to call us and want us to share our experiences and suggestions with them we should certainly do so in the interest of the nation. This is no allegation, but a reality, Pakistan has understood that Hindustan can't combat their terrorists and we are not capable enough. This type of feeling prevails through our Pakistan as well as their security forces.

[English]

SHRI SIMRANJIT SINGH MANN (Sangrur) : Mr. Deputy-Speaker, Sir, I just want to interrupt Shri Mulayam Singh Yadav who is a very important Opposition Leader. This debate is also very important. It is a question of our life and death. But I see that the House is not taking this debate very seriously. Neither the leaders of Treasury Benches are present nor the prominent leaders of Opposition are over here. So, Members like me may be given a chance to speak while the big leaders, as they come, may speak instead of wasting the time of the leaders...*(Interruptions)*

[Translation]

SHRI MULAYAM SINGH YADAV: Mr. Deputy-Speaker, Sir, you please allow him to make speech. He has got his own experiences. He has the experience of military. I would like to congratulate you for that.

[English]

MR. DEPUTY-SPEAKER : The Cabinet Ministers are here and leaders of almost all parties are present. You will also get a chance to speak.

(Interruptions)

SHRI SIMRANJIT SINGH MANN: No leader is present.

... (Interruptions)

[Translation]

SHRI MULAYAM SINGH YADAV: Sir, please provide him also a chance. We condemn the Government we are in the service of our country, we are with our security forces. We have to take the country along, we should also take the opposition into confidence. We stand for the dignity and respect of our country. We want peace in any event. Socialist party is in favour of peace. We are not playing politics on this important and serious issue. We are resenting our views before you. This inactive Government does not deserve our praise. We should take the pledge for the security of our borders. Government are busy auctioning and selling the public-property in the country, rather they should apply all their vigour and determination in the security of the country's borders. The Government have decided to hand over the entire management to the Maruti Company to foreign based company, Suzuki. They have reduced the equity-share. Auctioning the property of the country is like committing treason with the country. This Government has neither the determination nor political will nor valour to protect the borders of the country. Our army is fully prepared whatever decision you would like to take, our party i.e. Samajwadi Party is here to fully support you.

Sir, this is the last day of the Budget Session. So, we do not want to make a long discussion but I would certainly submit that they Government now must pass a resolution against these terrorists and a time limit should be fixed for the safety of the borders. I had even opined at the time to terrorist attack in Amarnath that the terrorist camps across the borders should be attacked forthwith. The Government have lost a good opportunity, as they have lost several others. Khurana Ji was talking about 1947-48. He is not present in the House right now and if he would have been present here, we would have pinpointed

to him the stages to where he had committed mistakes. Errors have been committed umpteen-times but now it is enough. Now, when full confidence with regard to securing of the country has been reposed in them, they will be held responsible for any mistake now on their part because the entire power and the forces are at their command. They are in Government and we are extending them full support. Several members of our family and relatives have been posted on the borders to fight against the terrorists. Now, the decision rests with the Government. We are entirely true to the country. Now if they indulge in making pretexts then, it would create problems for us and we would feel hurt. India is a great nation with a dignity and prestige of its own. Our country's population is one hundred crores. They may have a good image at international level, but it has got a set-back in the eyes of the public. They should keep this in mind....*(Interruptions)* On earlier occasion also, Pt. Jawahar Lal Nehru kept himself busy boosting his image at the international level which got a severe set back after India's ignominious defeat at the hands of China in 1962. In the Kargil war also the Government got a blow. The then American President, Shri Bill Clinton had stated in his speech that the Pakistan army withdrew from Kargil because of his efforts and instructions and that statement of Mr. Clinton has not been denied by the Government till date. Mr. Clinton had tried to demoralise and defame our brave army. Even if Pakistani army had not fully retreated from Kargil, our brave army was capable enough to have driven them out within a week or two.

I would, therefore, like to reiterate that this is a serious matter and demands effective steps. Terrorists should be fought with full might. The socialist party and the entire opposition would extend their full support and co-operation to the Government for any effective steps that they may take.

KUMARI MAMATA BANERJEE (Kolkata South): Sir, I am grateful to you for providing me chance to speak early because I have to leave early. I would like to congratulate every member and leader of the House to live up to our tradition of forgetting as to which party or state we belong to whenever some danger looms over the country. In such times we all unite this is the tradition of our country and our country takes pride in that. When we recite "Sare Jahan Se accha Hindustan Hamara" (No land on earth as

good as ours) we will keep the country together, in keeping with its true tradition.

Sir, we are happy today because this is the last day of the session. Today everybody is hopeful of passing a resolution unanimously.

Sir, this is the country in which the holy river Ganges flows. But it is bleeding today due to terrorists Pakistan is behind the killings of women, children and army-Jawans in the country. Women, children and army men including their family members, who were killed in Jammu, were all innocent Indians. I strongly condemn this cruel, inhuman intolerable and heinous crime of terrorists I would like to appeal the hon'ble Minister of Defence that it is our duty to provide protection and care to the family of the Jawan who fights for our country. That Jawan is not alone in his fight hundred crore-population of this country also fights with him by extending their full support. So, all of us owe it as our duty to help the Jawan of the country.

It is true or there is any secret in this saying, "Hum ah bhi bharate hain to ho jate hain badnam, vo katl bhi karte hain to charcha nahin hoti" (Even our sighs brings defame to us, whereas they get away with their extreme act.) Our hon'ble Prime Minister visited Lahore to hold peace-talks and even thereafter he tried that the peace-talks at Agra-Summit be a success and harmony prevails over both countries. But what happened thereafter? We witnessed the terrorists-strike on America's World Trade Centre on 11th September. Our country joined other countries in condemning the incident in strong words. In the aftermath of the terrorist strikes a Front was formed to combat terrorism globally. At that time we should have voiced our concern against cross border terrorism to bring the world community round the view that every country would oppose the cross border terrorism in any country and extend its support against any terrorists attack on any other country. Be it Kandahar, American Centre, Indian Parliament, Legislative Assembly of Jammu and Kashmir, all have been under terrorists' attack. Incidents of terrorism take place in Kashmir, Punjab, Rajasthan and in Bengal at some or the other time. Today science has progressed so much that we need to chalk-out some strategy protect ourselves from Human Bombs suicidal Bombs.

Our ex-Prime Minister, Smt. Indira Gandhi, and Shri Rajiv Gandhi and Shri Beant Singh were killed due to

terrorism and thousands of Jawans laid down their lives and still we could not succeed in curbing terrorists. When something of this type happens in Pakistan, America comes forward to assist it but it is worth analysing to watch the role of America when Pakistan attacks our country. There should be a uniform policy on cross border terrorism. We have to take care of this thing that these terrorists outfits keep changing their names. Lashkar-e-Taiba changes its name every other day. Today if it 'Ram', next day it would change to Rahim and the day after tomorrow it would be something else. They murder innocent people by changing their names. I would like to ask through you as to how long it would continue? Now, this can't go on. We would not compromise the country's security. This message should go to the world from the country.

[English]

We are the last persons to tolerate these things. We are not going to compromise with Pakistan for any action that is taken.

[Translation]

Perhaps the thinking of Pakistan in this that only it has got nuclear power. We are also nuclear power. But we want peace and the heart which our fellow country men have is even bigger than bomb. We do not want to fight, we do not want to shed blood, because traditionally we are peace loving people. If Pakistan thinks that it would snatch away Kashmir, we would like to tell it that we will never part with it at any cost. Kashmir is our paradise on earth. Government should act severest of actions against terrorism.

[English]

Pakistan is not going to stop its attitude. It is obvious. It is going not to stop the killings. [Translation] It is wrong thinking that [English] ISI means all the Muslims. That is not correct.

[Translation]

Sometimes they change their names their titles and also shift their bases. They have now evolved this new strategy. We should take into confidence those among the minority communities who have got love for their country Who was Farukh Abdullah, Shahnawaj and Sh. Bahadul

[Kumari Mamata Banerjee]

Shah Zafar, all of them were Muslims". Who wrote "Sare Jahan se Achha," it was Iqbal. The policy of 'Divide and Rule' is being applied on us. This should be checked in the interest of the country.

[English]

We want that a message should go to the world that we are one. If we are not one, we cannot fight the battle.

[Translation]

Hon'ble Prime Minister talked to the U.S. President yesterday. We want to congratulate him for that. He said

[English]

I want to know the specific role of the USA'

[Translation]

If any a country confronts us, we are bound to face it squarely. We do not want confrontation with anyone but if anybody ventures against us, then we are ready to take on. We are not afraid of anybody. We are ready to die for our country. We live together. We have no fear, we are ready to fight.

[English]

We will take appropriate action.

[Translation]

In order to protect the tradition of the country, we have to take decision in unison so that the danger may not arise again. The Trinmull-Congress and all other parties have voiced their solidarity with the Government and the Government should take any action it deems fit. We are ready to die once instead of dying every day. If war is imposed on us. We shall fight together and die together.

"Jab ghayal hua Kargil, Khatare Mein pari Aazadi,
Jab tak thi sans lade vo, phir apni lash bichha di,
Sangeen pe dhar ke matha, so gaye amar balidani,
Jo shaheed hua hain unki, Zara yaad Karo Kurhani."

We will not make a compromise on this issue whatever strong decision has to be taken, should be taken strongly. We are with you in this matter. When somebody asks us to keep quiet and he would create an atmosphere of peace, for how long are we going to listen to him. The innocent people have been losing their lives even as listening to their advice. It is not time to sit back and listen but to act. In 1962 occurred the Indo-China War. In 1971 we bent our support to the Bangladesh Freedom Movement. In 1965 also Indo-Pak war had taken place. In that to we had supported the Government. We gave all out support to the Government whether it was African Freedom Movement or the movement for Mosque or any other movement.

[English]

Therefore, through this Parliament, we appeal to the world family to support the cause of India because India is not attacking anybody. But somebody is attacking Pakistan. They are attacking India everyday. It should be stopped. Otherwise, we are not going to tolerate it. This message should go to the world because the world is our family. It is our sweet home. They should give support to us as we give our support to them.

With these words, I thank you very much for giving me this opportunity.

SHRI RAJIV PRATAP RUDY : Mr. Speaker, Sir, the hon. Member has referred to the anomaly in pay scales. I would like to reiterate that there is no anomaly in pay scales of MMTC and MITCO. The salary of workers have been protected as per the provision of BIFR and it has not been discussed at any forum that their salary structure will be changed in future. I would like to inform hon. Member that the 'Micacity' which he was talking about, was in my state till recently. I am well aware of the problems of that area and the Government knows it well as to how to revive the mills. The Government as well as MMTC is making efforts in this regard. But as per latest results available, it has no utility in world market. As a result, its profit is not increasing. Still, efforts are being made to find a way out. But at present, there is no proposal to effect a hike in their pay....(Interruptions)

[Translation]

SHRI RASHID ALVI (Amroha): Mr. Deputy Speaker, Sir, this is not for the first time that such an incident is being discussed here in the House. We are sick of hearing about such incidents. A number of such incidents have taken place in the country in which innocent children, men and women have been killed. It is very painful and it appears that the terrorists are more powerful than us.

"Es Sahar ke katil ko Dekha to nahin maine,
Maktal se chhalakta hai katil ki Jabani."

It appears that the killers are more powerful than us. As per records of the Ministry of Home Affairs about 50 major incidents have taken place from 20 April, 1999 to 19 December, 2000.

14.45 hrs.

[SHRI BASU DEB ACHARIA *in the Chair*]

In these incidents personnel of security forces and innocent civilians including innocent children and women have been killed. As per the report brought out by the Minister of Home Affairs about fifteen to twenty thousand foreigners have intruded into our territory who are carrying out terrorist activities in the country. As per the records of the Home Ministry about 24 thousand civilians have been killed in such incidents during the last decade. It has been revealed in the said report that Kashmiri youths are being used to carry out the terrorist activities. I would like to bring this to the notice of the hon'ble Home Minister and we should ponder over as to how the Kashmiri youths are being used for carrying out the terrorist activities by external forces. We would also have to look into the reasons due to which the Kashmiri youths have opted for terrorism and why they are playing in the hands of terrorist organisations.

Mr. Chairman, Sir, the incident which took place in Jammu, was not a minor incident. The whole country is united against terrorism. It is not a religious issue. I would like to say that the whole country is united in tackling terrorism. It is not the question of Hindu or Muslims. This country belongs to all of us and when I say all of us it means that all religious communities in the country make a United India. As long as we are united the nation will

remain strong. If there is danger to the very existence of the nation then secularism and democracy will have no significance. We all can survive only when the country survives.

With great sorrow I have to say that whenever any incident of terrorism takes place in the country we gather here in the House and make speeches and also express our concern. "Ae Andleeb mil ke kareh Aaho Zaria." We share our sorrow and agony but how long it would go on like this. Every time they enter into our territory and go back after killing our people. We just express our sorrow and concern over such incidents but it yields no results. Our security forces have been deployed on borders for the past six months. I am not an expert in the matter relating to defence but I would definitely like to submit that perhaps there would be a rare instance in the world when entire force of any country were deployed on borders to no avail. Today our entire forces are deployed on borders. Police is active in Kashmir. A common man wants to know the outcome of this exercise you are using the entire force to wipe out terrorism from the country. The common man is not concerned with what you are doing. He just wants to know the results.

What have you achieved by using the might at your command. With all humility I would like to say that it is a national issue. It is not the issue of any particular political party. The country will get demoralised due to this and if any country is demoralised there is no hope left for such country. I had interacted with a number of defence personnel. They are quite upset. I was told that the desert of Rajasthan they are moving here and there on their Tanks in search of shade of a tree so that they could pass their time from morning to evening under the shade. Our defence forces will get demoralised and if they get demoralised its repercussions would be grave. It is because we have not been able to achieve anything. It is the result of our indecisiveness.

"Ek Nakkara Sipahi Sarb-e-Rahe Jang Tha, Khud to wah Maara gaya Ham Besabab Mare gaye."

Lest we suffer similar fate. We must take concrete steps. It is often being questioned whether America will stand by us or not. I still hold the view and I stated earlier also that we should not depend on any other country. We should take on terrorism at our own and should not depend

[Shri Rashid Alvi]

on America for this. America fought for its own cause with Taliban in Afghanistan and the whole world remained a mute spectator. Some were against this war and some were in favour of it. America didn't bother about it. It did whatever it wanted in Afghanistan and Iraq. It was not at all dependent on any one. Similarly we should not depend on America rather we should learn a lesson from this. The problem is ours and we will have to take it ourselves. It does not matter whether any country stands by us or not. We should have a dialogue with our neighbouring countries of the subcontinent and should try to improve our relations with them. If they unitedly stand by us in our endeavour to pinpoint as to which country is responsible for spreading terrorism certainly it will yield some results and the whole world will definitely listen to us. Therefore, you should take concrete steps in this regard.

America have been successful in Afghanistan and Iraq but it has failed in Vietnam. The reason for its failure in Vietnam was that they had decided as to what extent they should go and not to go beyond that. They had decided not to enter into North Korea as they had certain reservations and when the situation is like that and when things are decided before hand that we should not go beyond a certain limit then there cannot be any success. Americans drew a blank in Vietnam war. We will have to go to any extent, we will have to cross any line to wipe out terrorism. I had read in the newspapers that General Viz. had gone two steps further but he was recalled. I don't know whether this decision of the Government was right or wrong but it is the general feeling amongst our masses that a person who had gone ahead to protect the interests of the country was discouraged to do that. It is something demoralising for our defence forces and the country.

I do not want to prolong my speech but want to request you 'hat enough is enough and we should reach to some conclusion. The Bahujan Samaj Party is wholeheartedly with the Government on this issue and it will strongly support every move of the Government for wiping out terrorism from the country. If a child is orphaned or a woman is widowed as a result of act of terrorism their agony should move the Government to act swiftly.

I would like to request you to take steps in this connection. The whole nation is with you. All the political parties including Bahujan Samaj Party are with you. I on behalf on the Bahujan Samaj Party and on behalf of the entire country, would like to recite a couplet before winding up my speech. If any point is raised frequently and not translated into action it loses its meaning.

"Kuch Na Kahane Se Bhi Chhin Jata hai

Aaijaye Sukhan,

Julm Sahane se Bhi Jalim ki Mandad Hoti Hai".

SHRI ALI MOHD. NAIK (Anantnag): Mr. Chairman, Sir, Chaudhary Talib Hussainji has given notice thrice to speak on this issue despite it was decided that an opportunity to speak would be given only to those hon'ble members who have given their notices during presentation of the general budget but they have not been given an opportunity to speak. Therefore, I request you to kindly call Chaudhary Talib Hussain from the National Conference to speak on this issue....(Interruptions)

MR. CHAIRMAN : He will be called to speak. Please sit down.

SHRI ANANT GANGARAM GEETE (Ratnagiri) : Mr. Chairman, Sir, whole House condemn in one voice the killing of eleven women, ten children and a number of soldiers travelling in a bus on 14 May in Kaluchak.

Mr. Chairman, Sir, when the Gujarat issue was being discussed here in the House at that time I had said one thing and which I want to repeat today. The killing spree being carried out by the terrorists, be it the killing of Amarnath yatries, attack on Jammu and Kashmir Legislative Assembly, attack on the Parliament House, or the Kaluchak incident of 14 May or the Jammu incident are not the terrorist incidents but this is the undeclared war against us being waged by Pakistan. Therefore, the Government should view all these incidents as a war against us.

Hon'ble Chairman, Sir, on 11th of September the twin tower of World Trade Centre in America were attacked by striking aircraft against them in which more than 4 thousand people were killed. After the said incident America immediately declared it as a war against the country and waged a war against Taliban and Al-quida in

Afghanistan. The whole world was a witness to this war. In this way America fought against terrorism with determination. The time has come now to give a befitting reply to these terrorist attacks. When ever any terrorists act takes place in the country we discuss and debate over such an incident here in the House.

15.00 hrs.

Mr. Chairman, Sir, I have been a member of this House since the eleventh Lok Sabha and there had been discussions on terrorism in each session since the eleventh Lok Sabha. There have been discussion on terrorism even thrice during a single session. During the Kargil conflict our brave soldiers fought valiantly to protect our territory. At that time it was assumed that terrorist activities will be contained.

Mr. Chairman, Sir, after occurrence of the World Trade Centre incident America immediately launched an attack on Taliban and Alqueda in Afghanistan at that time it has being assumed that terrorist activities will come down considerably in Jammu and Kashmir but it is very unfortunate that instead of coming down there is a spurt in the terrorist activities. Thereafter Jammu and Kashmir Assembly in Srinagar and Parliament House in New Delhi were attacked and now this Kaluchak incident has occurred. Therefor we should not treat these activities merely as terrorist activities but these should be treated as a proxy war unleashed by Pakistan against us and as such we should fight against it.

Today all sections of the House are with the Government on this issue and there is no politics in it. I am of the view that when we are united against terrorism it will definitely have some impact on the terrorists. Today the whole country is united against terrorism. It has been told time and again in the House that whatever terrorist activities are going on in our country are being conducted from across the border.

Mr. Chairman, Sir, we have come to know from the newspapers that our Prime Minister had talks with the American President over telephone today. Shri George Bush advised him to exercise restraint to which our Prime Minister had replied that the time for exercising restraint has gone and now it is the time to retaliate. Thus the time has come to reply in the same coin. Our women, children

and youths are being killed brutally. We have lost more number of Jawans in fighting with terrorism as compared to the number of Jawans killed in action.

We are of the view that not only Jammu and Kashmir is affected by terrorism but the entire country is facing the problem because of terrorism. The whole nation is affected by it. In this regard, I would like to give a suggestion that if terrorism is being conducted from across the border than action against it should be taken across the border. This is what I have to say.

[English]

SHRI K. MALAISAMY (Ramanathapuram) : Mr. Chairman Sir, thanks a lot for calling me to speak on this common issue, alongwith other speakers of the day. At the outset, I hasten to join hands with the speakers, who spoke today and also I want to vouch that we will be one with them in condemning the gruesome, indiscriminate and brutal attack by the Pakistan terrorists on 14th of May.

Many of the speaker have spoken in support of this common issue. As far as we are concerned and as far as this issue is concerned, we want to vouch to say in unequivocal terms that we are with the Government of India and we are for the Government of India. While doing so, we have got our won reservation as to whether the action taken so far is adequate, whether it was effective, whether it was up to the mark. On that score, many of us have got our reservations and many of the speakers have also expressed the view that it was not adequate. In that way, we feel that a re-look of the whole issue is to be done.

As far as the Pakistani terrorist activities are concerned, this is not the solitary instance. On the other hand, it has been repeated again and again over a period of time. We have been objecting. We have been making our own statements and they have been giving their own explanations. This formality or this process is going on without any end. After having seen all these things, we are able to now come to a particular stand.

As far as our AIADMK Party is concerned, our leader Madam Jayalalithaa, has been very specific and forthright. As far as she is concerned, she has been unique in her decisiveness and in her guts also.

[Shri K. Malaisamy]

I may be permitted to quote a portion of her statement, which is very much relevant, as far as this issue is concerned. She has said :

"After last year's horrendous attack on the Jammu and Kashmir Assembly, followed by the heinous attack on the Parliament of India, Pakistan based terrorists have struck again in Jammu targeting our army personnel and their families this time. In both the past instances, India's response was muted" – which I have explained earlier – "Now, with the latest attack in Jammu, I feel that the time for patience is past. Now it is time for firm and deterrent action. The decision to retaliate and teach Pakistan an unforgettable lesson has to be taken by the Government of India. I hope the Government of India will take necessary action before it is too late".

She has further said :

"Pakistan has made it meaningless to continue to maintain diplomatic relations between the two countries. In fact, Pakistan has made a mockery of the term "diplomatic relations". It is time for India to sever its diplomatic ties with Pakistan and launch a full-scale war. If the Government of India takes such a timely and bold decision, the entire nation will be solidly behind it."

She further said :

"We have had enough of these outrageous incidents and killings. Whenever such incidents take place, the Government of India puts the blame on Pakistan. Then the Pakistan Government releases a statement accusing India in turn of having a design and motive behind such accusations. Besides, Pakistan is also trying to get away with it each time by describing these diabolic operations as acts of liberation and self-determination. Western nations condemn these acts of terrorism and remain content with that. Political leaders in India express outrage and then nothing more is done. Unfortunately, everyone forgets these incidents after a few days.

How long are we to allow this violence to go in Jammu and Kashmir? What is actually going on in Kashmir

is a proxy war being waged by Pakistan which is encouraging separatism. Left to themselves, the people of Jammu and Kashmir want to live in peace, as a part of India. The Government of India cannot fight terror by just making fiery statements. Words should be matched with deeds..."

"... There is no point in going on sacrificing our brave soldiers by stationing them as sitting ducks in Kashmir. After each such terrorist attack in the past, border posts in Pakistan-occupied Kashmir should have been destroyed. It is the artillery fire from those posts that provides power for these militants to infiltrate into India.

By now, the whole world is convinced that unending violence in Kashmir is being aided by military and logistic support from Pakistan. It is time that the Government of India realised the truth that we can never have a cordial relationship with Pakistan."

Finally, she says :

"It is now time to come face to face with reality, sever diplomatic ties with Pakistan and launch a full-scale war."

This is the view of our leader and this is the view of our AIADMK party. Now, it is time for you to take hard decisions. Whatever may be your analysis, I would say you must make a quick SWOT analysis, an analysis of Strengths, Weaknesses, Opportunities and Threats on both sides.

Let us examine what is our strength. As far as our strength is concerned, we are large in size, larger population and stronger in military strength also. In every way, we are stronger. Compared to our strength, Pakistan is a peanut. Our weakness is very little; our opportunities are very great and the threat is marginal.

Whatever may be the world opinion and whatever may be the other circumstances, it is time to take a hard decision for which we need a political will from the Government. Once you have a political will, you should also have the skill to execute the political will. When will and skill go together, we will certainly succeed. So, you have to take a decision.

With these few words, I conclude my speech.

[Translation]

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (PROF. CHAMAN LAL GUPTA): Mr. Chairman, Sir, I had visited the place on 15th and I strongly feel whosoever goes there, will be shocked and moved to tears. The soldiers who guard our boarders had come over there to perform the last rites of their young wives and children. You could understand what must have been going on in their hearts and minds. It could only be understood only after meeting them.

Everyone out there was feeling whether we cannot provide even safety and security to their children and family members. The kids were preparing to go to school, mothers were giving them food and school Bags, the terrorist barged into the houses and targetted the kids and female members. They entered into one after other nine houses and either killed or injured some one in those families.

This is confirmed that the terrorists had travelled from Pakistan. Today's news reports contain the details as to how they crossed over into Indian territory. Ours is long distance border and we can not deploy soldiers on every inch of it. Any one determined to cross over can do so easily. Pakistan has been carrying on the proxy war for last 12 years. Pakistan has followed two pronged strategy. Today, all the Kashmiri terrorists are trying to operate inside Kashmir. This is also true that at one point of lime, Kashmiri Youths were with them but today, the situation has changed altogether. Today, all the terrorists operating in Kashmir are foreign mercenaries and crossover to fight till death as they know that they have to ultimately fight against India and they preparing themselves for the final eventuality.

As per the assessment of the army and police personnel, there are around two-three thousand militants operating in Doda District. It would be understood that in the situation if the all out war at the border, the army will fight at border but who will fight these militants inside? In past, such a situation emerged when our army personnel were fighting the militants inside but all of a sudden such events occurred that army was required to be deployed at the border. I had invited the attention of hon'ble Defence Minister towards it. As many as 80 companies were withdrawn form Doda and higher regions of Vdhampur and

Kathua and were deployed at the border. The terrorists engaged by the 80 companies are now operating freely. They roam around in the gangs of twenty. They make the population their direct target. They can mount assault on the people anytime and kill the people and such events have taken place one after other.

I am quite happy that the hon'ble Defence Minister paid his attention towards it and some army columns were spared and army was redeployed in certain areas. Infact, these militants are operating strictly in tandem with the strategy worked out by their Pakistani bosses. They want to oust all the population form the remaining parts or the mountain are as of Doda district as has been done in the Kashmir Valley in which they have tried to oust all the Hindus so as to create lubricated zones. But people there have stood against them. The Ministry of Home Affairs have constituted village defence committees. They have put up stiff challenge to the militants. I could claim that these village defence committees fought against these militants with valour in the remote areas where our army was not able to reach and these facts have been stated in the report of the ministry of Home Affairs. However, there village defence committees are not effective enough to thwart the designs of Pakistan and to put up a challenge to the militants inside border. Therefore, these need to be strengthened. I have, on several occasions, brought to the notice on hon'ble Defence Minister and Home Minister that the villages while fighting against the militants are not able to plough their fields and ensure the safety of their family member. Their Prime objective is to protect the village and target the militants. Therefore, I seek that a member of the village defence committee be paid at least a sum of Rs. 2500/- per month.

Like wise, each village committee should be made available a wireless set and also at least one automatic weapon to each village defence committee. Today they have got 303 rifles only and they are fighting the terrorists who have got most sophisticated weapons. Therefore, these defence committee need to be strengthened to fight the militants coming from as far off as Afghanistan, Sudan and Pakistan.

I am very happy and feel proud that our village defence committees have fought with valour and they have fought the militants head on and have never shown their back while fighting them. Therefore, he must strengthen

[Prof. Chaman Lal Gupta]

our village defence committees because only then we can fight the terrorists who have entered deep inside the border. Fighting at the border is one thing but inside the border only village defence committees can fight the militants and the more we strengthen these committees, the easier it will be for us to fight against terrorism.

Everyone has mentioned it that the army has been deployed at the border. If has been more than five months all the residents of the border areas have been asked to leave from there. There are about two lakh people in whose fields land mines have been laid. They have either taken shelter in some relative's house or are residing in some camps. When were they asked to leave from border they were happy because they thoughts that as Pakistan taught a lesson in 1971 in 18 days only they had returned to their homes, this time also the same will happen. The residents of Chhabb, Hiranagar and Kathna have been compelled to leave their homes on six occasions. Since 1947, the people of border areas have to leave from there in the situation of war. In the years 1947, 1962, 1965 and 1971 the border was evacuated and also during Kargil war people living in border areas were asked to leave from there and now again the people have been asked to leave from there. The information received yesterday also indicate that it is continues shelling at the border. A woman named Vimala Devi was shot in Arania in Treva area and is admitted to hospital. In another incident, a tenth class student was admitted to hospital after being shot and has succumbed to his injuries in Treva village. Everyday such incidents are happening. Today, the morale of the people living in border areas is down. This made them feel bad that the Pakistanis cross over into India, kill Indians and go back safe and alive, this really causes demoralising impact among the people living in border areas. They are not scared of Pakistani army as they have experienced the war situation six seven times in the past. Therefore, we must ensure safety and security of the people living in border areas as they are our second defence line also. More we strengthen them safer will be the area. Since 1947, it has always been an effort of Pakistan to demoralise the people residing in border area. Our army deployed at the border is not there for any picnic and they alone witness that Pakistanis are also able to saw their crops but still we much extend all possible held to the refugees camping in the open due to war like situation at the border.

In my area, at least 60 massacres have taken place as has been mentioned by Shri Madan Lal Khuranaji also. One after other massacre takes place resulting 25-30 deaths. I have put 25 dead bodies at a time at the pyres. I can well understand this pain. In spite of all this, a blast occurred in a temple in Jammu on the occasion of Janmasthami. On another day, the militants threw a chopped head of he-call in a temple. Yesterday only, youths were attacked at their homes. I have all praise for the people of Jammu that they maintained peace and order and despite all these provocations otherwise every incident always causes its reaction everywhere.

Jammu people are Dogaras spreading upto Gilgit. It is not so that they can not react. In fact, they have been observing all this stoically in the larger interest of the society and the nation. However, the patience and perseverance also has got its limits. I feel, it is hazards at every inch. As many as 35 innocent civilians were burned at Chhattisinghpura and Pakistan reacted that this was the handiwork of Indian army. Pakistani Radio has been carrying on this malicious campaign that Indian army personnel were also killed by the Indian army themselves. I would ask whether an army soldier would kill his own children. But this is a means of Pakistani propaganda. The some situation was witnessed when Kabailis were sent into in the year 1947. When they were pushed back, the Pakistani army took the charge. It was same in the year 1965 during Gurrilla war. We also fought a war in 1971 with Pakistan. Today also, terrorists are coming from Afghanistan and Sudan. I would like to invite the attention of the hon'ble Defence Minister though he himself is aware of the situation.

15.28 hrs.

[SHRI DEVENDRA PRASAD YADAV *in the Chair*]

One of our colleagues from UNI had gone to Afghanistan and met some Talibans prisoned there. He interacted there with as many as 60 persons. All of them said in one voice that after being released from there, they would go to Kashmir. Their strategy is to send to all the Talibans to Kashmir. They are heading to Kashmir. They are asked to be prepared to set out. There is no reduction in the numbers setting out to Kashmir for save death. We have to prepare a strategy to fight them. 12 years period is no less a period. A large number of people have been

killed in the proxy war. Four lakh people have been rendered homeless and roaming here and there. Husbands of several women and sons of many aged parents have been killed. There are large number of orphans and destitutes after all, how long we shall continue to see them in such a pitiable condition.

Sir, I would like to convey the feelings of such people to the hon'ble Defence Minister. He himself has visited such places and must have experienced it. The ultimate thing is that all imaginable limit have been crossed.

We must not wait any longer. All these mischiefs have to be responded to as we have done several times in the past. In the year 1971, 93000 soldiers were set off and yet we could not resolve the Kashmir conflict. Let us forget the past, now the Kashmir dispute must be resolved during our regime only we have made our position categorically clear. The way our Prime Minister has asserted in America that Kashmir is the unalienable part of India and no power on the earth can separate it from our country. The same message has to go down to the Pakistan and the harbours of terrorists in Pakistan. Though message is being conveyed but we need to translate it into action and also such are the feelings of the local people there. Earlier we do it more it will induce a sense of confidence in the people there.

[English]

SHRI PRIYA RANJAN DASMUNSI (Raiganj): Mr. Chairman, Sir, today is the last day of the Budget Session and today, we are perhaps concluding this Sessions with a very comprehensive note of unity and resolve to stand by the people of this country at this critical hour when frequent assaults of the terrorists, one after another, are continuing unabated by Pakistan.

Mr. Chairman, Sir, in the beginning of the discussion today, our leader, Shrimati Sonia Gandhi made precisely clear the approach of the Congress Party in this hour and the role that is to be played by the Government. When I was very young Congress worker, I had the privilege to work with a very distinguished Congress President, Shri D. Sanjeevaiah of Andhra Pradesh. I had just come from the university. I talked to the President and asked while everybody in this country described them as a political party and after the name add 'party', why we do not write

the 'Indian National Congress Party', and why there was a full stop after Congress. Shri Sanjeevaiah told me that we came from a movement of the people with an assembly of the great people of the country and our destination still is to be with the people of the country, free from boundaries of limited thoughts, convenience and opportunities, to remain with the people and people only in the greater cause of the nation and that is why, we are 'Indian National Congress' and we do not need to have any prefix or suffix to add a word called 'party'

Today, our leader, Shrimati Sonia Gandhi, stood up and said very conveniently that come what may, to protect the nation, to protect the innocent people of the country and to ensure internal security of the nation from the threats from within or outside, what the Government of the day can think proper, they will get our support. It reminds me of the words of Shri D. Sanjeevaiah who said: "We may have disagreement of political and social issues, but remember, you are Indian National Congress, and without the nation, you are nothing." Today, we have come to a situation when we feel to fulfil our bounden duty to the nation, the nation which gave us the mandate to sit on that side and to rule the destiny of the nation for more than four decades, the nation which provided distinguished Prime Ministers one after another to shape the destiny of the nation. We cannot forget that for this moment. Maybe, it is the desire of the people that we sit on this side. Yet our commitment to the nation, our role to the nation and our responsibility towards the nation cannot be altered and changed, whether we sit on that side or this side.

Mr. Chairman, today, while we are discussing this issue of Kaluchak incident, as our Leader said in the beginning, our words are not enough to express our grief and condolences to the kith and kin of those who have been brutally killed, including that two-month old baby. The way they have been killed, every Indian is crying today. It is not that they have been killed in a *fidayeen* attack suddenly, but there was a design behind it.

Why is it that the assaults are taking place one after another in Jammu and Kashmir? Jammu and Kashmir is not only an integral part of our country, but also a symbol of our secular heritage. It is a golden chord and a symbol of our social harmony, where the Chief Minister, after

[Shri Priya Ranjan Dasmunsi]

offering his prayers in the mosque, took care right from day one to see whether the pilgrims going to Vaishno Devi are safe or not, and then whether the pilgrim of Amarnath are safe or not. This is a unique place in India. Therefore, attempts after attempts have been made by terrorists and by the fundamentalist forces in Pakistan, who preach intolerance, to successfully engineer discord and to distort the secular amity of this country. I salute the people of Jammu and Kashmir on behalf our Party, from this Bench, I salute them for the way they withstood the assaults which took place one after another and, yet, showed to the whole world that our secular belief and chord cannot be distorted, whatever may be the design of Musharraf and his group.

Therefore, it is not only our duty to explain the situation, but also to express our total solidarity with the people of India in general, the Army in particular and specially, the people of Jammu and Kashmir. The Raghunath Temple, Charar-e-Sharief, Chattisinhapura, and the Jammu and Kashmir Assembly were all attacked. In the Jammu and Kashmir Assembly attack, we believe, the target was the Chief Minister. One after another, these things happened. Yet, the people of Jammu and Kashmir always came out with a message for the nation that they are ready to sacrifice anything, but should not the nation also take them into confidence! Here lies the question. What is your Kashmir Policy?

Today, we have decided that we will not score political points. We are not here to carry on any assault on any individual of the Government, but it is our bounden duty to know the Government's perspective or understanding of the situation. While we will share our thoughts with you, we will humbly request you to share your comprehensive strategy with the House and to take us into confidence. What is your Kashmir Policy? Yes, there was a ceasefire. The entire Parliament supported you on that. While you talked internal consolidation of Kashmir with the Hurriyat, be it group-A or group-B, through the distinguished Deputy-Chairman of the Planning Commission followed by the bureaucrats, did you take the people of Kashmir and the Government of Kashmir into confidence as to what should be the strategy for a dialogue, if at all there should be a dialogue, and what should be the parameters for the dialogue? We get disturbed when we read the news that

while this message is going to the Hurriyat, the Government of the day in Kashmir is nowhere. These are the issues which are rocking the nation and the people want to understand your strategy. Therefore, it is time for you today to spell out your strategy.

Many of us have said many things and obviously, those are good suggestions. The strength of this country does not lie in the Bofors Gun, in the artillery or in the Air Force's aircraft. The strength of this country, at this hour, lies in the determined, patriotic will of the people of the country, in social harmony and in the secular credentials of the country.

Sir, we must understand the design of the terrorists. We must understand the design of the Pakistan President, General Parvez Musharraf. We must understand the plan that they intend to propagate. I would not like to deal much with this matter. My friend, Shri Omar Abdullah in his speech, made in recent times, has made it abundantly clear as to what gives us the strength to propagate our views outside and what does not give us the strength while we get trapped. I hope, while the Government spells out their policy in this matter shall also try to adequately convince themselves about not being trapped any more in any kind of propaganda that could give a handle to the people within the country to criticise them for its action or inaction.

[Translation]

MR. CHAIRMAN : Dasmunsiiji, how much time you will take?

SHRI PRIYA RANJAN DASMUNSI : I shall take the time allotted to my party.

MR. CHAIRMAN : Other members of the Congress Party, also wish to speak on it.

SHRI PRIYA RANJAN DASMUNSI : I shall take the time allotted to my party and not a minute more.

[English]

Mr. Chairman, Sir, the Government of the day is competent enough to take decisions but the only thing is that they are accountable to Parliament for their actions. If the Government takes a policy decision and then

deviates, from what has been understood of that policy by the people, then the Parliament could always scrutinise, screen and grill the Government. But till the time the Government does not take a decision, we can only try to understand, through a discussion, the plan of action of the Government excepting, of course, the classified information which the Government should not divulge to Parliament.

Sir, our Defence Minister have been stationed there for the last five months. Why should we not try to understand the overall impact of this deployment of Forces there? It is good to be prepared for something. I am not trying to create a difference between Ministers in the Union Cabinet. But I strongly feel that for any shortcomings in our internal security, for any failure of our intelligence system, the buck should not be passed on to the Defence Ministry. Defence is our last resort. The Army, the Air Force and the Navy should be our last resort. Our first priority should be the unity of the people, the motivation of our people, the social harmony and confidence of our people, understanding and amity in the political system of our country, the intelligence operation and surveillance of our country and the co-ordination among the various units including the Joint Command of Jammu and Kashmir. The Defence forces should be the last resort. But if the Government chooses to take a shield behind the argument that even after deployment of the Army, there is insurgency and cross-border terrorism, then nobody, except a faulty system, can be blamed for it. Maybe, somewhere the Government is lacking. Why is it so that in a matter of one or two days, organised groups comprising of, may be, five, six, seven or eight people, three people in the recent case in Jammu, suddenly take shelter somewhere, plan the whole operation and then attack either the Parliament, or the Assembly building of the Jammu and Kashmir or the Consulate Office of the United States at Kolkata or the Raghunath temple or for that matter any place, the last one being the Kaluchak incident? Is there any shortcomings in the information gathering machinery of the Government? Is there any deficiency in understanding of the intelligence system?

Mr. Chairman, Sir, I am thankful to the hon. Home Minister for his first reaction to this incident when he said that it is not a coincidence that even this strike also took place at the time of a visit by a foreign dignitary. Therefore, while seeking the unanimous support of this House to fight

terrorism, the Government should at least share with the House the shortcomings in the system. One of the shortcomings have already been admitted by an hon. Minister of the Union Cabinet, Shri Chamanlal Gupta. He is right in his estimation. He is in the field. I do not know what kind of a problem Dr. Farooq Abdullah or Shri Chamanlal Gupta is facing in the State of Jammu and Kashmir. They are experiencing it for themselves in the State. We only get the information.

He said that the shortcoming of the Village Defence Committees have not yet been taken into cognizance. I was hearing him very patiently. I think that could be one of the shortcomings. Why did the Government not think of that?

In my earlier intervention when Doda Massacre was being discussed, I asked the Home Minister whether the Chief Minister of Jammu and Kashmir asked specifically for additional paramilitary support. There was no specific answer! Given the kind of assaults, planned and designed in Pakistan, that Jammu and Kashmir is facing day in and day out, the House would like to know what additional support they need—in terms of economic development to get rid of the frustration of the unemployed youth; in terms of social infrastructure arrangements; in terms of political consolidation; in terms of paramilitary support.

In totality, the Kashmir policy is to merely limited to saying what we said in the United States, what we said in the Congress Session at Kolkata, what we said in a party session in Patna, that Kashmir is an integral part of India. That is not the last word. It is an integral part of India and that is why it deserves the support that it requires to maintain that integrity with India against the onslaught of fundamentalists in Pakistan. Did we address that issue ever? Did we spend one full day in the Cabinet to understand these realities? Did we spell out the details in Parliament? Did we take the Government and the people there into confidence? These are the issues which concern us and concern the nation. Yes, we are highly perturbed.

Have all our diplomatic options been sufficiently and fruitfully exploited with tangible results? Where have we landed ourselves today? Clinton to George Bush; Talbott to Christina Rocca — where have we ended up? War against terrorism! Eleventh September! Could the

[Shri Priya Ranjan Dasmunsi]

Government take us into confidence? Is it not a fact that Indo-US joint Action Group against terrorism was formed long before the 11th September strike? At any point of time, did the United States consider that constant flouting of the line in Jammu and Kashmir by terrorists from Pakistan – by they of Al-Qaeda or Taliban, be they of Lashkar-e-Toiba or Hizb-ul-Mujahideen – is a concern for the whole world and a concern for the subcontinent?

I had the access to a few observations of the pre 11th September meeting of the Indo-US Joint Action Group against terrorism. At no point of time in the meeting, concern for Jammu and Kashmir had been recorded. I do not know for what reason? Where are the terrorists? For the last ten years, who suffered the most? The North-East has a different problem. That is not the subject of discussion today and I will not deal with that. Who suffered the most? It is the people of Jammu and Kashmir. In the meeting of US-India Joint Action Group terrorism held in the United States before 11th September strike, no concern for Jammu and Kashmir alongwith India was recorded.

We have to understand the design of the big powers. They know that India is emerging as one of the major economic powers within another sex-seven years – thanks to the toiling Indian peasantry, the working class of India, who are trying to give strength to Indian economy for the future. They know India's capability. They know the unique heritage of India of its cultural diversity. They know the unity of the people of India. Why should someone feel happy? Someone should feel jealous. They know that India has capacity to put a Muslim in the Chair of the President of India. They know that India has the capacity to choose a Dalit as the President of India. They know that Indian people have the capacity to choose by their own conscience anybody as the Prime Minister of the country. Yet, the so-called tall doner civilisation could not show an example of accepting a black at the top of the nation.

They know why they are jealous of us. After 11th September in the war against terrorism, they told that Ossama bin Laden should be brought within 24 hours, dead or alive. They wanted the whole world to join and

we joined in principle because we belived that terrorism should be fought. But who paid the price for it here in this country? It is the people of Kashmir, Shrimati Indira Gandhi, Shri Rajiv Gandhi, many jawans, army personnel and many others. It is not that our country suddenly found the light of the day after 11th September and that till then, everything was dark. It is India that understood right from 1948 – Sheikhg Abdullah, Hari Singh, Pandit Nehru and others understood – the design and machinations of foreign power involving Pakistan against India. We knew that. Our track record and our experience are superior than any other power in the world, insofar as terrorism in concerned.

Yet, after 11th September, we all joined the war against terrorism. We all joined with a convincing belief that there should be a Taliban-free Afghanistan and with a convincing belief that he Pakistan regime will either collapse or will come to terms with terrorism so that it would be friendly with India and understand the reality. But at the end of the day, what is the outcome of our diplomatic initiatives? I am very much shocked to narrate these things.

Let us see the outcome of the diplomatic initiatives today, from Talbott to Rocca. A question was put to her like this: "Did you hear what happened in Jammu?" Ms. Rocca said it was shocking and barbaric. The Government of India suggest from its desk that it is not only barbaric, but also organised, planned and it is imposed on India by a systematic campaign by Pakistan through LeT. These are important matters to understand the outcome of our diplomatic initiatives from day-one of joining the war against terrorism.

Another question was asked: In this hour, what is your reaction? The Foreign Minister says:

"We have been able to provide to the U.S. concrete and tangible evidence about Pakistan's involvement in terrorism."

When Ms. Rocca's attention was drawn to the tangible breaches, Ms. Rocca however displayed no signs of fully accepting India's reading of the situation, that Pakistan was solely responsible for escalation of tension in the border.

Who else is responsible? Is it Bhuta? Is it Nepal? Is it Mauritius? Or is it Afghanistan which is now free from

Taliban? It says that she feels it is not Pakistan which is solely responsible. She says:

"I think, it is a very complicated issue. It is not a black and white issue."

Further to says :

"Rocca indicated that New Delhi should not remain stubbornly committed to the conditions and demands for a dialogue to resume."

I do not understand. How do you convince the Parliament that our diplomatic initiatives in joining the war against terrorism, in principle, have brought us a tangible result in support of the cause of India and its sovereignty? I used the word 'sovereignty' because if Kashmir is attacked, I feel that my sovereignty is attacked.

In terms of sovereignty, what was the concern of the 'captain' who is leading the war against terrorism? What ironical comments were they? The final comment was:

"Terrorism is terrorism, wherever it could be. But in this hour, our only effort is to reduce tension between India and Pakistan."

Did India send terrorists to the Palace in Islamabad? Did India send terrorists to rock the Parliament of Pakistan, if at all, a Parliament was there by the elected representatives of the people? No.

So, what is the need to reduce tension? Do you want to keep both India and Pakistan on the same footing?

I am sorry to say today that before the visit of Mr. Bill Clinton, our distinguished Prime Minister, to whom we all are rendering support, did make a humble submission that possible while visiting India Mr. Clinton will not visit Pakistan on two counts. Firstly, there is a military regime in Pakistan. It does not have the elected representatives. Whenever it suits her, the U.S. advocates for democracy all over the world and secondly, because there was a terrorists onslaught on India though it was defied. Fair enough. It is their policy and we should not question it. But, we, as Members of Parliament, have a right to understand whether any country's policy suits to India's policy.

If India's national policy or national interest is not safeguarded what will happen to us? We are 100 crore

of people. We can proudly ask the whole world to look at our culture, tradition of the democratic system of India. We may have thousands of differences with the Government. Just because we are participating in this debate does not mean that we are supporting or endorsing all the policies of the NDA Government. We may have thousands of differences with the Government on social, economic or other fronts and we will fight with it later on but on the issue of terrorism – after 13th December incident – we made it abundantly clear that we are with the Government. I would like to know from my dear friend, Shri Omar Abdullah, whether he, as a Minister, is under any obligation to defend the Government. I feel so.

I had said this earlier also that when the then hon. Speaker, Shri Balayogi read out a Statement relating to the 11th September strike on US, the whole Parliament stood up and said in one voice that it condemn it. Did our diplomatic initiative bring a single Resolution from hundred nations of the world that they condemn what happened to the Jammu and Kashmir Assembly on 1st October or what happened in the Indian Parliament on 13th December? I could count only a few such resolutions. Why? It is because the Third World movement is not gaining momentum.

The assembly of the developing nations, which once upon a time used to roar under the leadership of Shrimati Indira Gandhi that 'Mandela should be freed' or which once upon a time used to roar that 'Pandit Nehru, we are here. We are not the slaves of anyone. We have to build our fate in future. Possibly, after the collapse of Soviet Union that movement is diminishing. And, here is a country called India. It is her bounden duty to take the global initiative to strengthen that movement and, whenever their national interests are at stake, to keep the interests of such nations free from the onslaughts, dictates, intimidation, insinuations or manipulations of such powers.

Mr. Chairman, Sir, through you I would like to know from the Government whether it explored that initiative. Did the Government ever try to find out how are its friends? Do they have temperature or are they comfortable? Are they convenient? Are they prepared to understand our realities? I think, no. Had there been any such initiative taken, we would have been informed of it either by the

[Shri Priya Ranjan Dasmuni]

Government, Media or, now because of technological revolution, through Internet. I humbly submit to the Government, please do not pass on the buck of the failure of the internal system to the Ministry of Defence. First, guard yourself. If a confrontation is there, we can ask for the accountability of the Government as a whole through the Minister of Defence. So long as this kind of infiltration is continuing, so long as things are not safe, Government owes responsibility to the Parliament and the nation to answer as to why it has failed one after another to protect the lives of the innocent people.

16.00 hrs.

Asking this humble question is not scoring a political point. It is to understand your shortcomings. If you say that there are shortcomings, we are prepared to join hands with you, to cooperate with you, to advise you, and to suggest how those shortcomings could be tackled. It is not the time to defend ego. It is time to introspect and to see the writing on the wall. It is war against terrorism so long as it serves the interest of only one country and so long as Afghanistan is not free. It is war against terrorism? Can any country claim that the entire world should unite to combat terrorism after attack on Afghanistan to teach them a lesson? As far as fight by India against terrorism is concerned, it is to be done by diplomatic initiatives through Indian persuasion to Pakistan alone and by no other method. When our friend Shri Jaswant Singh was in Kandahar to release the hostages – we might have criticised the Government then, that is a different thing – but we know how helpless India was on that day. Even after 48 hours, there was not a single initiative either from Tony Blair's then Government or from the United States or from France. They were enjoying the music of the trouble between India and Pakistan.

We are all part of a nation. We are separate parties when we go to elections. Yes, we are individual parties when we confront with the ideology. Yes, we are a party when we score a point on your failure. But after all we belong to the nation. When the nation's honour, glory, image, credentials, age-old traditions, understanding, and security is assaulted, should you not introspect? Sir, in the

Annual Report of the Ministry of Home Affairs for the year 2001-02, it has been stated:

"The Government of India is determined more than ever to root out this scourge of terrorism and militancy and to restore peace and normalcy in the disturbed areas. A loud and clear message has been given to the terrorists and their patrons in our neighbourhood that their nefarious designs will not be allowed to succeed. This has been followed by both pro-active and retaliatory action in Government."

Will you explain the pro-active and retaliatory action of the Government? in further says:

"The stance of the Government has received unequivocal and positive support from the international community also. Already India's lone fight against the forces of terrorism is becoming global."

One year before you claim in the Annual Report of the Ministry of Home Affairs that you received unequivocal support of the international community and while replying you claim something else. There was a statement of Christiana Rocca. Can you justify what you stated in your official report and what you achieved? Did you really achieve it? You can explain it to the House that we could not achieve it and that these are the shortcomings. They may be economic or others.

Sir, the United States' troops are in Pakistan and we are having joint exercises with the troops of United States. I wonder for what reason we are having these exercises. We will ask this question on some other occasion but not today. The holocaust of escalation is hovering over the sub-continent and we are still considering and thinking that our diplomatic initiative has been successful. Either you revise your approach on the diplomatic front or you come out for correctness. You admit that these are the few areas where you are lacking and that you will improve. We can understand that. Parliament can be taken into confidence. We are in this country, in this Parliament, and in this functional system of democracy to protect not only the people of this country but also its democracy, its objective, its credentials, its culture, and its secularism. With that strength alone, we can fight terrorism with the defined strategy of the Government.

But I think till you are not clear about the internal political understanding and consultations in Jammu and

Kashmir, till you are not clear about what part of the Government of Jammu and Kashmir you will take into confidence and what part you shall not keep informed, till you are not very sure and very positive as to what part of diplomatic initiative of yours will take us to a particular destination. I think it is only confusion that will prevail and results will not come. Support of all political parties is not a big thing. All political parties in this country first belong to the nation and then to their own party philosophy. Obviously, they are there with you. The question is not whether the Resolution is passed or not. In any case all political parties of the country, including our party, shall stand by the nation. But the question is whether the accountability of the Government and the responsibility of the Government at a critical juncture like this remain most important to address the issue in the right perspective.

As we have pointed out in the morning, several views are coming. I will not take any name now to create a problem in the House. I was shocked to read the statement. I hope the Government has also seen the statement. It shows that there are elements in the country which are giving statements that the political authority – it has been given by an organisation and I will not take the name of the organisation – of the country shall not decide the issue; let us give it to the Army and our Army alone. Who are doing it? Who are trying to erode the authority of the Parliament? Who are trying to erode the constitutional sanction of the people? They are also equally vulnerable. They are equally the potential force at this hour. If you decisively decide to combat terrorism with a united voice, should you give cognizance to these facts? I do not like to undermine any individual who is in the Government. But I feel even being in the Opposition, come what may, that the ultimate will of the nation alone be reflected in terms of action by the Government of the day which has been constitutionally elected and sworn in by the President of India and not by any individual authority. The day you encourage other tendencies, I think we are again in the trap as has been said by Shri Omar Abdullah the other day. Therefore, I would submit to the Government the following:

1. Please take the House into confidence today. Before the Chair moves the Resolution and the Home Minister replies, spell out if you have any

problem, except your classified information, in disclosing what is your contingency plan in regard to Jammu and Kashmir decisively and what is your Kashmir policy.

2. What is your comprehensive strategy to combat terrorism? Are you sufficiently convinced that your diplomatic initiative is over and yielded no result? If not, are you further pursuing your diplomatic initiatives? If so, in what direction?
3. Please tell us today while taking the nation into confidence that you are the national security not only in terms of the onslaught of terrorists and fundamentalists, but also of other elements who, in connivance with Islamabad or in connivance with someone here, are determined to disturb the social harmony.

You should take into account all these factors. The Government of India is duty-bound to spell out these things here and take this House into confidence.

We are not here to address our constituency works and the people. We are not here to enorgise our political workers form a political platform by our rhetoric. We are here in the Parliament to address the nation and to defend the interests of the nation.

For the last two nights I have been hearing a lot of interviews to educate myself and understand the emotions, reactions, counter-reactions and analyses of several experts right from Army personnel to politicians.

Finally, I have come to the conclusion that people will react, the individuals may react but the last reaction is of the constitutional Government which is taking to the conscience of the people its ultimate, final and future objective vis-a-vis the nation and the entire geopolitical scenario of the nation. The question is why we have failed in our campaign to isolate Pakistan? Why we have not been able to convince Tony Blair and George Bush by several trips to the United States and say, "Here is Al-Qaida in different uniform and is taking shelter and dinner with Gen. Pervez Musharraf." The question is why we have not been able to say so.

[Shri Priya Ranjan Dasmunsi]

I have seen the balance sheet of India even before the conflict. We need that big country and that country also needs us in terms of our trade exchange. I know that any responsible member of the Government will argue with me not to talk of Pt. Nehru, Shrimati Indira Gandhi and Shri Rajiv Gandhi as those were pre-nuclear days escalation. That is why, I feel very correct that this Government should evaluate the post-nuclear era escalations, the possibilities, the betterment, the goodness and the badness of the region. Therefore, this Parliament requests on one point to the Government, through you, before it comes out with any policy which they are competent to take. You are mandated for that. You can take any decision on any part of the country as you feel. And Parliament is here to stand and scrutinise. That is different. I am not questioning your competence now. I am only addressing you on one point. Before you give any decision, please take the Parliament and, through the Parliament, the country into confidence to explain your shortcomings and your ultimate plan to overcome the shortcomings. Never forget to do it on this issue. Do not ignore the people.

I was feeling glad when I was watching a television interview yesterday given by the Chief Minister of Jammu and Kashmir. He said, "Election or no election, the nation is important to me." I felt very proud at that time. Yes, this should be the voice and views but equally, the Government should understand that if the terrorists can block the elections to frustrate the rights of the people of Jammu and Kashmir to go to the electoral process, then that will be their victory. Killings 20 people is not a big victory but halting a democratic process by the terrorists design is disastrous. Therefore, the Government should also take the House into confidence and say whether they have taken enough cognisance of the situation to ensure that as and when election will take place, franchise will be protected and democracy and the rule of law shall prevail against the mischiefs of the so-called design of the Lashkar-e-Toiba and others.

It is time for the Government to take the nation into confidence. As I said, please do not go in for only rhetorics. Rhetorics can please the Party workers but the nation is there to see the translation of the Government designs and proposals in reality. You should not forget that, while you

take a decision, this country is a country of more than one billion people, having complex and diverse culture and having rich traditions. Every section of the society of this country must be taken into confidence. The Prime Minister may not consult them. But the Prime Minister's actions and Government's display and demonstration, its political and social work, should ensure the confidence of the people of the country. Yes, with the strength of social harmony, we are here to combat any force. If that is lacking inside and you pile up arms and artillery outside, the message will not be that of what is desired today. Therefore, these issues should be taken into consideration.

From the Congress Party, our Leader precisely said about our policy and approach to this matter.

I only try to detail where your diplomatic initiatives have derailed. I only tried to detail that there is no comprehensive Kashmir policy to deal with the present situation. Taking all these things into account, the Government should overcome the shortcomings, and take action, which it thinks proper, so that in future we should not have any occasion to come back to the House and discuss another incident of this kind in Jammu or in Kolkata or in any other part of the country. I feel this kind of incident should not recur. We would like to express our full solidarity with the struggling and bleeding people of Jammu and Kashmir. Our salute to the Indian Army, Navy and Airforce. Our commitment to the dedicated families of jawans who went to defend our country in the border, left their children at home and came back only for their cremation. No words are enough to console them. We shall express our solidarity for the way they stood by the nation. The Parliament expresses full solidarity for their dedication and sacrifice. If an Army personnel dies in uniform, then he is treated as a martyr. He is given several awards, like the Mahavir Chakra. I feel that the families of those Army personnel who died unguarded are also martyrs. The Home Minister should not take it otherwise. He is accountable and he owes an answer to the nation and to Parliament. In your total plan or strategy, there is nothing which could take care of the families of the Army personnel.

Mr. Chairman, with these words, I thank you for giving me time. I feel that the unified voice of all the parties here, shall once again demonstrate that we are one against terrorism, and we are one against cross border activities.

We are confident and the people are confident that you are competent enough to tackle it without interference from outside and without the dictates and sermons from outside.

SHRI S.S. PALANIMANICKAM (Thanjavur): Sir, on behalf of DMK Party, we strongly condemn the terrorist activity at Kaluchak. Like a typhoon which destroys flowering plants, creepers and trees, in a garden, the murderous attack on terrorist at a place called Kaluchak in Jammu and Kashmir claimed more than thirty lives, including that of infants, youths, women and elders. Further, the condition of others among the injured who are being treated is still critical. The Union Defence Minister, Shri George Fernandes and the Union Minister of State for Home Affairs, Shri I.D. Swami, already visited the affected areas to comfort the grieving families and to extend support to those convalescing in the hospitals. Hon. Leader of Opposition, Shrimati Sonia Gandhi, also made a visit to the region and she has said that her party would extend all support to the NDA Government in exterminating the terrorists forces. We welcome this move.

The Chief Minister of Jammu and Kashmir, Dr. Farooq Abdullah has refuted the claim of Pakistan that security lapse was the reason for the terrorist attack and the resulting death of nearly forty persons. Further, Dr. Abdullah has said that Pakistan is responsible for this dastardly act. he has also sought from the Union Government additional reinforcement of security forces for that area as well as the entire State of Jammu and Kashmir. We hope the Union Government would fulfil his request without any delay. I would like to quote what our leader, *Dr. Kalaingar* has said in this regard:

I quote:

"The response of the United States of America to this tragedy is unacceptable. It tries to downplay the intensity of the tragedy by issuing just a condolence statement and not to take up the issue with the seriousness it merits. The anguish expressed by Dr. Farooq Abdullah and the firm statement against the brutal and inhuman attack in the Indian territory by the Pakistani infiltrators and the hon. Prime Minister Vajpayee's clarion call to give a fitting reply to these acts of terror are not reflected in the U.S. statement."

The U.S. Assistant Secretary Ms. Christina Rocca's condemnation of Kaluchak incident during her interaction with our External Affairs Minister Shri Jaswant Singh and the President George W. Bush's telephonic discussion with our hon. Prime Minister Shri A.B. Vajpayee expressing shock over the incident are not forceful enough to stop this kind of a carnage.

Further, our leader Dr. Kalaingar said this and I quote:

"To prevent cross-border terrorism by the Pakistani infiltrators in future, the U.S. must issue a stern and sincere warning to Pakistan. On the other hand, if they think that by issuing statements they can silence us, the Indians from the Himalayas to Kanyakumari will rise as one and prove their mettle by defeating any force that instigates terrorist violence against us. We cannot delay even a minute longer in teaching a lesson to any country which tries to undermine India."

How long will our brothers and sisters of Jammu and Kashmir suffer? Is there no end? Please put an end to it. We, the DMK Party, are with the Government and will support every action that will be taken by our hon. Prime Minister to ensure the stoppage of terrorism and prevention of any kind of infiltration into India.

16.22 hrs.

[SHRIMATI MARGARET ALVA *in the Chair*]

On behalf of my Party, we salute the bereaved jawans. We convey our deepest condolences to the bereaved families of the deceased jawans, in this incident.

SHRI PURNO A. SANGMA (Tura): Madam, at the outset, I would like to say that cross-border terrorism by Pakistan, visits by the Ministers, by the leaders of the political parties to the places of terrorist attack, statements by the leaders of India, diplomatic responses by the international community, the so-called high-level meetings, and, of course, the discussion on the floor of Parliament, what shows on the electronic media, stories in the print media and life as usual thereafter have become all too routine.

[Shri Purno A. Sangma]

Please look at the latest situation arising out of the terrorists attack in Jammu, the issue which the august House is discussing just now. The Defence Minister is very prompt in visiting the places of attack. So also so many other leaders visited those places. Statements have come right from His Excellency Mr. Kofi Annan, the Secretary-General of the United Nations down to Prof. Vijay Kumar Malhotra, the spokesperson of the ruling BJP Parliamentary Party.

What kind of statements have come? I would like to remind this House about the immediate reaction of the hon. Prime Minister of India. I quote:

"The Incident is outrageous."

What is the immediate reaction of the Defence Minister of India? I quote:

"Nothing better can be expected from President Musharaf. Pakistan will be punished. Appropriate action will be taken at the appropriate time."

Now, this Parliament and the one billion people of India will have to wait when that appropriate time will come. Prof. Vijay Kumar Malhotra is very bold. I quote:

"America cannot be depended upon to help us. We have to fight our battles ourselves."

Congratulations! What was the reaction of the official spokesperson of the External Affairs Ministry Ms. Nirupama Rao? I quote:

"The United States understands our concern."

We are talking so much about the United States of America. My elder brother Shri Dasmunsi has extensively quoted from Ms. Christina Rocca. But what did the official spokesperson of the White House say? I quote:

"Kashmir is a difficult situation with occasional violence."

That is what the White House spokesperson has said.

My friend His Excellency Mr. Blackwell, the Ambassador of the United States of America, said this. I was seeing

it in the Star Television. After meeting the hon. Home Minister, he comes out and says:

"Terrorism is terrorism is terrorism."

But the Chief of our Armed Forces, General Padmanabhan is, of course, very forthright. He said:

"Time for statements is over. Now, it is time for action."

He is very bold. Through the time for statement is over, in addition to all the statements that I have read out, I am compelled to make one more statement. I am constrained to say that we have become a nation of empty statements and statements of the obvious. How long are we going to make statements? How long are we going to have the so-called high-level meetings? How much benefit has been brought by the visits of the different Ministers and the leaders of the political parties? Have we found any solution? Under the present circumstances, what are the options available to us? Have we really explored the possibilities? Did this Parliament today try to find out what are the possibilities that are available to us? I am afraid, we are lacking in application of mind. The so-called experts on defence, the so-called experts on security policy, are giving a number of options open to us which everyone of us is reading in the newspapers.

What is the first option? We must go for limited war! I really do not understand as to what is the meaning of limited war. Can there be a limited war? If there is a limited war, what kind of limited war we are talking about? After the nuclear tests-Pokhran-II, when the Parliament debated about our nuclear policy, I said on the floor of the House that till today the whole world had recognised us as a military superior power to Pakistan. But we did the tests. Followed by Pakistan, all that we did is that we had equated ourselves with Pakistan. We have become equals. India is a nuclear power and Pakistan has become a nuclear power. So, from the military superiority, we rendered ourselves in equality.

After that till today or till day before yesterday, I am afraid I may have to make amendment in my previous statement. I am not sure as to whether we are still continuing to be equals. I am not very sure about it. Today,

we are in such a receiving end, absolutely. You talk on diplomatic channels that you are talking about. You talk of cross-border terrorism; the number of people being killed in this side. The way, we were stuck in Agra, are we still equals? I do not know. We have to think over it very carefully.

We have become a nuclear power and the Government of India has vowed before the whole world that we will not use it first; there is 'No First Use Policy'. We have to wait till Pakistan attacks us. We go on waiting till Pakistan attacks us and go on tolerating and tolerating and say that let us have a diplomatic offensive. The Defence Minister goes to Jammu and Kashmir; let the Parliamentary Delegation go to Jammu and Kashmir, we will not use this nuclear weapon. We have adopted before the whole world 'No First Use Policy'. I do not know....(Interruptions) I hope the people of India are listening.

What is the other option? They say that we must go for economic sanctions. What kind of economic sanctions? Is Pakistan dependent on trade with India for their survival? Are they dependent on us? We declare an economic sanction and America and the West, for their own selfish interest, will pour in millions and billions of dollars in Pakistan. What are your economic sanctions going to do? It is practicable? It is not a practicable option.

We must wind up the office of the High Commission. We must expel the High Commissioner of Pakistan from India. What is the result? I do not know. I do not know as to what result abrogation of the Indus Water Treaty would bring in. These are the options that are before us. We do not know as to whether they are the real options and as to whether we can openly discuss here. If the country had been very serious about this, I would have perhaps preferred Parliament sitting in camera.

I would have preferred that, if we were really serious about our future. Then, we should we do? Where is the solution? The solution actually lies here, in the Kargil Review Committee Report. Here is the solution; 50 per cent solution lies here in this book and 50 per cent solution lies with the will of the Government of the day. If the Government has the will and if they follow what is written

here, we can find a solution. The Kargil Review Committee Report was submitted almost three years ago. The House had an occasion to discuss it and when it was placed before the House, the Government stated:

"The Kargil Review Committee has made as many as 25 recommendations which seek to bring out mainly the deficiencies in India's security management system... After due consideration of these recommendations, a thorough review, through an appropriate body, of the national security system in its entirety, including the area covered by the above recommendations of the Committee is being ordered by the Government."

Madam, almost three years have gone. What action has been taken in this respect? I would like to remind this nation – maybe we have forgotten, even I almost forgot about it; I woke up only when I was asked to speak, by my leader, on the floor of the House, I tried to bring out this book from my library – what is written in the Kargil Review Committee Report. I think it is good for the country to know. I may be permitted to read only three paragraphs from Chapter XIV of this Report which contains recommendations. It says:

"The findings bring out many grave deficiencies in India's security management system. The framework Lord Ismay formulated and Lord Mountbatten recommended was accepted by a national leadership unfamiliar with the intricacies of national security management. There has been very little change over the past 52 years despite the 1962 debacle, the 1965 stalemate and the 1971 victory, the growing nuclear threat, end of the cold war, continuance of proxy war in Kashmir for over a decade and the revolution in military affairs. The political, bureaucratic, military and intelligence establishments appear to have developed a vested interest in the status quo. National security management recedes into the background in time of peace and is considered too delicate to be tampered with in time of war and proxy war. The Committee strongly feels that the Kargil experience; the continuing proxy war and the prevailing nuclearised security environment justify a thorough review of the national security system in its entirety.

[Shri Purno A. Sangma]

Such a review cannot be undertaken by an over-burdened bureaucracy. An independent body of credible experts, whether a national commission or one or more task forces or otherwise as expedient, is required to conduct such studies which must be undertaken expeditiously. The specific issues that required to be looked into are set out below."

The next paragraph is very important.

SHRI PRAKASH MANI TRIPATHI (Deoria): Since then a Group of Ministers has submitted a Report.

SHRI PURNO A. SANGMA : I want an answer today from the Minister, not from you.

SHRI PRAKASH MANI TRIPATHI : I thought you are aware of it. ...*(Interruptions)*

SHRI PURNO A. SANGMA : I do not know and I would like to know from the Government. With all my due respect to you and every individual – no aspersions – please listen to the next paragraph. It says:

"The National Security Council (NSC) formally constituted in April, 1999, is still evolving and its procedures will take time to mature."

"Whatever its merits, having a National Security Adviser, who also happens to be Principal Secretary to the Prime Minister, can only be an interim arrangement. The Committee believes that there must be a full-time National Security Adviser and it would suggest that a second line of personnel be inducted into the system as early as possible and groomed for higher responsibility."

May I know from the Government whether recommendation of the Kargil Review Committee has been implemented? Do we have a full-time National Security Adviser of the country or are we still continuing with a part-time Adviser? This is very important question. This Government owes an explanation to this country. This Report speaks so much about the Military Intelligence. We read and saw in the electronic media that those Pakistanis who had gone to Afghanistan to help the Taliban regime

had been sent back to Pakistan. Do we know that they are doing now? Do we know where they are? Do we know how many of them are there?

The newspapers and the electronic media has predicted that the cross-border terrorism is bound to increase because those people, who were in Afghanistan, are back in Pakistan. Could we not anticipate that? Why could we not anticipate that? It was because we did not perhaps have any agency to anticipate that.

I have only one question today. I would like to get an answer from the Government of India to each and every recommendation – numbering 25. What action has been taken on all those 25 recommendations? This nation should know about it.

[Translation]

SHRI DEVENDRA PRASAD YADAV (Jhunjharpur) : Mr. Chairman, Sir, this issue is very important as it is related to the security of the nation. The incident which occurred at Kaluchak is the most reprehensible incident. But we condemn any incident for the condemn's sake and our condemnation is not healthy. I want to ask two-three questions to the government in a very brief time. The debates started in a good manner but when hon. Madan Lal Khuranaji was speaking on the said incident, the standard of debate was lowered since the chair directed that the standard of debate should be maintained. Khuranaji I was pained to hear you. I was a little bit disappointed after hearing you. You said that so many Hindus were killed in Doda and so many Hindus were also killed during the Amarnath pilgrimage. It's not a question of Hindu-Muslims. The 14 people who were killed during the Amarnath pilgrimage, among them 8 were Hindus and 6 Muslims. Those carrying people on the horse-back were Muslims. This debate is not focused on the Hindu-Muslims. This debate is focused on the national integration and national security and this debate is on terrorism versus nation's security. I therefore, request Khuranaji-please don't make a mention of Hindu-Muslims. If you have to talk like this, then there is a separate forum in the BJP. The entire House is with the government on the issue which is being debated in the House. Whatever steps the government will take for nation's integrity and security, the entire House is with the Government. Then, why do you talk about any party?

I feel very bad when the standard of debate is lowered in the House and it's a matter of concern. It is not a good thing lowering of the standard of debate in a parliamentary democracy. And if it is lowered, it will put a question mark on the parliamentary democracy. It's a sort of national panchayat. Our population has crossed one hundred crore mark whereas the population of America is only 26 crore. Dasmunsiji is a learned person. He knows everything about it. America did not wait even for a minute to annihilate the Taliban. Since America is a rich country, it got the support of European countries and also think itself as a super power of the world.

16.46 hrs.

[MR. SPEAKER *in the Chair*]

Our country also supported America on this occasion. The hon. Prime Minister also said that we would also support in stumping out the international terrorism. But we should take care that the standard of debate is not lowered. Many people are being killed in Jammu and Kashmir today. Who were those people killed in an attack on the Jammu-Kashmir Legislative Assembly. It's not a question of Hindu-Muslim. Rather, it's a question of the nation. Jammu-Kashmir is the most terrorist infested state. There is an elected government of the National Conference in Jammu and Kashmir. The Minister of Defence and the Minister of Home Affairs should take the state government in confidence while holding talks on this issue. There is no way out to this problem signing an agreement with any organisation by sidelining the government there. How can we stump out terrorism, for this we must take care of the feelings of elected government there.

Much pressure was exerted on Pakistan at international level but that much pressure is not there now. We should admit this fact. And the attention of the countries of the world should be drawn towards the incidents which have occurred since then. The attacks on the parliament and Jammu-Kashmir Legislative Assembly were perpetrated by the foreign mercenaries. And following these attacks, the efforts which were made at diplomatic level had mounted pressure on Pakistan but that much pressure is not there now. Terrorists even dare to attack the army camps today after getting training in Pakistan. They have now attacked at Kaluchak. The Government will have to

chalk out a well thought coordinated action plan. Mere expressing concern on the incident and thereafter observing leniency are not going to solve this problem. The action plan which has been formulated to tackle this problem should also include the jawans of the army and Jammu-Kashmir police. We should first get our acts together. We have to take care of this aspect.

The number of terrorists coming across from the border is also increasing whereas this should have been reduced as the army is deployed along the border. I do not want to go into the details of figures due to paucity of time but it's a fact that the number of infiltrate has increased. They are engaged in terrorists activities there and be it the area of Jammu and any route in Pathankot. How the vigilance and alertness is being maintained at the point from where they sneak into our area? As to how the number of infiltrators is increasing? As it was reported in the newspapers that the terrorists which perpetrated the Kaluchak incident had infiltrated in India from Pakistan barely three hours before. Which is that point and whether the Government have located or are still locating that point. What is the Government's plan in this regard and how the Government plan to maintain a special vigil after locating the point from which the infiltrators come in India? The Government have to be on high alert in this regard so that a permanent solution is found to this vexed problem.

Mr. Speaker, Sir, America and other European countries advise us to exercise restraint. But how long should we exercise restraint? There is a proverb; Preach only and practice not'..... When the terrorists attacked on America, it called upon the entire world to fight against terrorism. The people of the third world are not economically sound...(Interruptions). It's a question of nation's security and unity. The action against the terrorists should also include to close the sources of financial help to them. We have to fight on our own. We do not need America's help. We have to defend our universality ourselves. We do not need any body's help for our defence. Our country and our forces are strong....., we are capable to take on any eventuality. And if America really wants to help us, it should freeze the economic sources of terrorists.

MR. SPEAKER : Please conclude now.

SHRI DEVENDRA PRASAD YADAV : Mr. Speaker, Sir, 'Proxy war' is being waged against our country in which the enemy does not fight face to face. In a proxy war the enemy attacks from the back and this is what is happening with our country. This is a cowardice attack. It all depends on the geographical and weather conditions. Therefore, what I want to say is that the entire country, the entire House is with the government on this issue. ...*(Interruptions)*

SHRI BRAHMA NAND MANDAL : Mr. Speaker, Sir, small parties like ours are not meted out justice. We have repeatedly been saying that we are as much entitled as they are. You just cannot disallow us from speaking.

SHRI DEVENDRA PRASAD YADAV : Mr. Speaker, Sir, what I was saying was that the entire country and the entire House are united in waging a war against terrorism for eliminating it. The Hon. Member is taking it otherwise. Today, the entire country and the entire House is with the Hon. Prime Minister. The Government should formulate a strong policy to tackle it, the entire country stands by you for stamping out terrorism and for the security of our country. We fully assure you that our party is with you. Your feet should be firm on the ground. You just go ahead for eliminating terrorism and maintain unity and integrity of the country, we will lend our full support. Strong worded response is not going to serve any purpose, you should rather formulate a coordinated action plan to tackle terrorism.

[English]

SHRIMATI MARGARET ALVA (Canara) : Mr. Speaker, Sir, it is such an important debate. The Prime Minister, the Home Minister, the Defence Minister, the Foreign Minister, none of them are here to listen...*(Interruptions)* That is all right. You are all Ministers of State. Just now here is a Minister who has come just five minutes back. There is none of them concerned with the security.

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI CH. VIDYASAGAR RAO) : The same issue is going on in Rajya Sabha. So, the Home Minister is there.

SHRIMATI MARGARET ALVA : Mr. Speaker, Sir, I think you should give direction so that at least one of

them concerned with the security matters of India should be present. I have never seen this happen in 29 years in this country in Parliament. Not one senior Minister concerned is here to even listen to us. What is the use of this debate?

How serious are they about the security of Jammu and Kashmir, or of the country?...*(Interruptions)*

[Translation]

MR. SPEAKER All of you, please sit down. ...*(Interruptions)*

[English]

SHRIMATI MARGARET ALVA : You have come in just two minutes ago....*(Interruptions)*

[Translation]

The Prime Minister, Home Minister, Defence Minister, Foreign Minister, none of them are here. Therefore, it is of no use to speak...*(Interruptions)*

[English]

MR. SPEAKER : I have understood your point. There are two Cabinet Ministers here. A number of Ministers of States are also here. You are very much aware that it is a joint responsibility. The presence of even one Cabinet Minister in this House is enough. ...*(Interruptions)*

[Translation]

THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRI VIJAY GOEL) : You are not right. The Hon. Home Minister is in the Rajya Sabha and several other ministers are sitting here. You can see for yourself. ...*(Interruptions)*

[English]

SHRIMATI MARGARET ALVA : But none of them is concerned with the subject under discussion.

MR. SPEAKER : Before I call the next hon. Member to speak, I want to make a request to all hon. Members. Since this debate is important and I want to allow maximum

number of Members to speak, I would request every one to restrict the time taken so that the debate could be finished on time. I will appreciate if all hon. Members co-operate and the debate, which has been going on in a nice manner, continues in the same manner. No other issue would be allowed to be raised because otherwise, the main issue would be diverted. Thank you.

(Interruptions)

SHRI PRIYA RANJAN DASMUNSI : Sir, I think, the hon. Minister of State in the Prime Minister's Office, Shri Vijay Goel is competent enough to represent the entire Cabinet.*(Interruptions)*

MR. SPEAKER : There are two Cabinet Ministers. Shri Jag Mohan and Shri Syed Shah Nawaz Hussain are here.

(Interruptions)

[Translation]

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, they are saying that I have mentioned the name of Hindus only. Three days ago there was a news item about Sikhs in the newspaper the 'Bhasa'.....*(Interruptions)*

MR. SPEAKER : You need not say this thing at this juncture.

SHRI MADAN LAL KHURANA : I mentioned the names of Sikhs, labourers and Hindus therein. I mentioned about all. I didn't mention the name of Hindus only.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI OMAR ABDULLAH) : Mr. Speaker, Sir, I rise on behalf of my party, on behalf of the Government and on behalf of the people of Jammu and Kashmir to condemn the attacks on the 14th in Jammu at Kaluchak—the attack on the Himachal Road Transport Corporation bus and the attack on the residential accommodation of the families of our brave soldiers.

Allow me, Mr. Speaker, Sir, if you would please, to take one minute of this House's time to try and re-create the atmosphere in one of the houses of one of our soldiers

as the attack was taking place. It was early morning; one of the mothers was getting her children dressed for school. She had one boy and two girls. The mother, in the absence of the father, who was fighting on the border trying to protect our nation, was playing the role of both father and mother as valiantly as possible. While she was dressing her children, she heard the sound of gunfire outside. She asked her son to hide under the bed and asked her daughters to rush and lock themselves up in the bathroom. The militant burst in open and fired on her. She screamed out in agony. Her daughters rushed out and they were gunned down in cold blood. The only surviving member was that poor boy who heard his mother and his sisters being shot in cold blood. Now, what do we tell that soldier who is on the border? What do we tell our soldiers who are fighting for our country's defence? Do we tell them: 'Fight for us but we do not know what will happen to your families'? Do we tell them: 'Be prepared to attack Pakistan at a moment's notice but your families also run the risk of losing their lives'?

The world comes and tells us: 'Be patient and wait. We are doing everything possible. Your concerns are being kept on board.' We heard all these words after the 13th December. After the 13th December, when the country rose in serious anguish and anger following the attack on our Parliament, we heard exactly this: 'Be patient. Just wait. Everything will be all right. Your concerns are being kept on board.' This attack, Mr. Speaker, Sir, is no less grievous and no less damaging to our country than the attack on our Parliament.

17.00 hrs.

It is an attack that has the makings of serious repercussions on the morale of our troops that are stationed on the border today. It cannot be allowed to go unchecked, uncondemned and unanswered. The response of our Government after the 13th December, 2001 is two pronged. There was a diplomatic answer and there was a military answer. The diplomatic answer was in terms of stopping overflights, bus and train between our two countries. The military answer was a serious build-up of forces along our border. We felt that, under the circumstances, this was sufficient to get a message across to Pakistan that enough is enough and we would tolerate no further.

[Shri Omar Abdullah]

What we expected from Pakistan was also very simple. The banning of Lashker-e-toiba, Jaish-e-Mohammed, the arrest of their leadership, the cessation of cross-border infiltration and terrorism and handing over to India 20 of the most wanted criminals including terrorists and other gang members. What did we want from the international community? We wanted just the support. That was all we were asking for. We were not asking for monetary support. We were not asking for military support. All we wanted was that support in line with the statements made, time and again, from the countries of the Western world that terrorism anywhere will not be tolerated.

What did we get? We got nothing absolutely from Pakistan. We got none of the 20 criminals. In fact, we kept hearing reports that even some of these, who were on this list of 20, were now been given a Pakistani nationality. Pakistan did not want to hand them over to us. On the levels of infiltration, we kept hoping against hope that when the snows melted, the levels of infiltration will give us some amount of satisfaction that 'yes' Pakistan wanted to take our concern on board and that there was some way in which we would be able to restore some semblance of our relationship with that country.

The sad truth is, and figures of the intelligence and security forces will bear me out, we have seen an increase in infiltration this year as opposed to last year. So, on that account, Pakistan has decided not to respond to what we had to say. I have already said on the list of 20 criminals. On infiltration, on acts of violence, we have had our answer in Jammu a few days ago. The violence in Jammu and Kashmir is not going to end.

What have we got from the international community? I think, there are two words for it and that is 'lip service'. All we have got from the international community is a dose of lip service. 'Yes', we take your concern on board; we are very worried about the situation; 'Yes', we want you to be patient; we want you to keep restraint, but beyond that nothing! This is the real tragedy because we put in the best diplomatic efforts possible to getting our message across. We sent delegations of Members of Parliament, cutting across party lines, to travel to important countries and get India's message across about the terrorism, the

problems that we were facing and the answer that we expected. We thought that the international community has a history of setting an example. When they find that the country is conducting and carrying out activities that are not in keeping with international community practices, they either impose sanctions or even without imposing sanctions, they punish the country in question.

Sir, what has Pakistan got for all this terrorism that it has waged against India in the last more than 20 years? Instead of punishment, they have got nothing but benefits – increased market access for their textiles into Europe; increased market access for their products into the United States of America. The worst shock that we could possibly have received was—we received today in the newspapers when we read that the World Bank has approved 500 million dollars loan for Pakistan in the days after the militants crossed over from Pakistan and attacked our innocent civilian men, women and children.

Sir, now, if this is the support that we are going to get from the international community, then 'please, thank you very much'. 'You can take your support back'. We do not want it. We do not want your support. We have fought all our lives on our own. We fought on our own for independence.

We have fought all the wars, that we have fought, on our own. We fought Kargil on our own even when we told you that this was Pakistani army regulars that were attacking our country. You refused to recognise that fact. You ignored it. So, we fought Kargil as well on our own.

The fight against terrorism after the 11th of September, yes. There is no doubt. I do not think any of us in this House had any doubt that the international community would take our fight against terrorism as their own fight. Are we disappointed? Yes, we are. There is no doubt about the fact that we are disappointed. Our fight against terrorism is not the international community's fight against terrorism. It is ours and ours and we will have to deal with it accordingly.

Shri Priya Ranjan Dasmunsi, during the course of his speech, quoted from an interview given by a senior U.S. official who was visiting our country, where she said that the situation cannot be seen in black and white, that we

should not be stubborn to our demand and that we should perhaps show a degree of flexibility. This is fine. On the question of black and white, I need go no further than to remind this august House, of the words of the President of the country which this lady was representing, where he said: "If you are not with us, you are with the terrorists." It is as simple as that. It is black and white. If you are not with us, you are with the terrorists.

On whether India should be stubborn to its demand or not, how can we not be stubborn? If Pakistan is going to remain stubborn in its commitment to kill innocent men, women and children, then we will remain stubborn in all our demands – in our demand for the list of 20, in our demand on cross-border infiltration, in our demand on violence, and in our demand that there will be no talks with Pakistan until all this situation ends – and whatever is necessary for us to do bring an end to this situation, we will do it. I have never been one to advocate a military solution without weighing the pros and cons. But unfortunately, we seem to have worked ourselves into a situation wherein we have taken Pakistan's propaganda more seriously than Pakistan has. We now no longer are able to talk about the use of military force without immediately arriving at the conclusion that this will be a nuclear war between India and Pakistan. In a previous speech also that I made in Parliament on a similar situation, I had said that I fail to understand how Pakistan could even consider the nuclear option. You have only to look at the size of India and the size of Pakistan to realise which country will still be around, even if Pakistan was stupid enough to consider the use of nuclear weapon. The simple fact is that Pakistan is working on one very wrong assumption and that assumption is that India is a democracy and within this democracy, today, India has coalition Government, that because of the nature of coalition Government, India will need to build a consensus, and that by the time India comes around to building the consensus, the time would have passed and, therefore, they can continue to do what they like and India will not respond. I think if Pakistan wanted a clearer answer to this misconception that they have, they had only to turn on the television and watch today's debate in Parliament, from the beginning of this debate when the hon. Leader of the Opposition, Shrimati Sonia Gandhi stood up and spoke. I have only my own individual capacity within which I can

compliment the speech that she made. It was a speech that set the tone and tenor for this debate. It rose above party politics. It rose above the divisions of caste, creed and religion. Yes, we differ on things like POTO, we differ on things like the economy, we differ on a lot of things, but let Pakistan and the rest of the world realise that on matters of national security and India's interests, there are no divisions within this country. Therefore, Mr. Speaker, Sir, through you, I would like to request the Government, of which I am a member, and this august House, to recognise the situation as it exists today, to recognise that in spite of all the steps we have taken after the 13th of December, Pakistan has ignored our concerns, to recognise that in spite of everything we have done, diplomatically and otherwise, with the international community, we have got nothing but lip service from them, to recognise that these are the parameters we are operating in, and to recognise that the Government led by Shri Atal Bihari Vajpayee has at all times taken decisions that are in the interest of the nation.

In this situation as well, we will weigh all the pros and cons, weigh the situation as it exists and arrive at a decision that is in the interest of the nation.

At one point, a suggestion was made that, perhaps, in the course of this discussion we should not or rather in the course of the events that we choose, we should keep in mind that Jammu and Kashmir is to go to election in October. Yes, it does have to. Yes, these are crucial elections that are important to the State and important to all of us. But they are not more important than our nation and our national security.(Interruptions)

SHRI SONTOSH MOHAN DEV (Silchar) : A worthy son of a worthy father!

SHRI OMAR ABDULLAH : Nobody, not me, not my Party President and not my Party will put our Party or our State ahead of the nation. We would like elections on time; but we would like the elections in a peaceful manner. If incidents like this, like the one that took place in Jammu continue to take place, it is but natural that this will have a serious impact on the elections in Jammu and Kashmir and people who otherwise want to take part in it will be able to take part in it. Therefore, this is also a situation or rather a fact that must be kept in mind when a final

[Shri Omar Abdullah]

decision is taken. But on behalf of my Party, all I can say is that our full support is behind the Government of Shri Atal Bihari Vajpayee in whatever decision he takes.

[Translation]

SHRI BRAHMA NAND MANDAL : Mr. Speaker, Sir, you gave me an opportunity to speak, I thank you for that. On 14th May, 2002 Kaluchak and military camp were attacked in which passengers and family members of soldiers were killed, and the same is being discussed here today under rule 193. The entire country is in great anguish after this attack because our country has been facing attacks after attacks for years. We have been trying to control that but failed.

Mr. Speaker, Sir, in today's discussion it has been pointed out as to what should be the strategy of the Government of India to check the activities of these terrorist organisations and the countries which are patronizing these terrorist organisations for their own vested interests. I do not know what strategy has been adopted or to be adopted by the Government of India. Efforts have been made continuously at the diplomatic level and it is being claimed that the Government have been successful in this endeavour. Efforts have been made to turn the world opinion in favour of India. We have achieved some success in that but despite that these incidents are still happening.

Mr. Speaker, Sir, what should we do when such incidents are happening even after diplomatic endeavour by one side? What should we do when the other type of strategy is adopted? Should we allow it to continue or should we stick to the diplomatic endeavour?

Now I come to the main point as to why these incidents are taking place. Pakistan attacked India several times, four times after independence. We defeated them and many agreements and treaties were signed afterward. But even after Tashkent treaty, Shimla agreement and Lahore agreement, the Kargil happened. Now we are continuously watching what is happening. The root cause of our problem with Pakistan is Jammu and Kashmir. ...*(Interruptions)*

MR. SPEAKER : Mandalji, your party has been allofed five minutes' time. Please conclude soon.

SHRI BRAHMA NAND MANDAL : I have just started.

MR. SPEAKER : You have just started, then conclude it, too, just now do – both simultaneously.

SHRI BRAHMA NAND MANDAL : There should be a clear and transparent policy regarding Jammu and Kashmir and this aspect should be considered as to why Pakistan have not honoured any of the agreements that have been signed. Our forces have won all the battles we have fought. Pakistan does not respect those agreements because they regard Jammu and Kashmir as their own territory and for this they are making constant efforts. We must consider as to what should be our policy regarding Jammu and Kashmir and whether this problem will be resolved by making mere agreements or not. We have seen that the problem could not be resolved even after three or four agreements. Many people are of the opinion that the problem cannot be resolved militarily. Then how can it be resolved? Let's know the alternative. When people say as to what to do or what not to do—they all mean that we should always be defensive. We have always found ourselves at the receiving end. All the suggestions that come teach us how to defend ourselves but the enemy keeps on striking us. So it has become clear that Pakistan want war, they want to fight and their actions clearly and repeatedly indicate that they will settle for nothing less than Kashmir.

I have gone through the statement of the Chief Minister of Jammu and Kashmir twice or thrice. He had said that line of control should be deemed as international line. I do not know whether such a proposal had ever come from the Government of India but will Pakistan be satisfied after declaring the line of control as international line. What is the guarantee? Who will take guarantee of it that if India accepts the line of control as the international line, Pakistan, too, will honour it and this will resolve the problem. If such a guarantee is given, there is no need of war, no need of military action....*(Interruptions)*

MR. SPEAKER : Your time is running out. Please cooperate.

SHRI BRAHMA NAND MANDAL : Please given me some more time. A part of Jammu and Kashmir known as

Pak occupied Kashmir, is still in Pakistan. Since independence India has never tried to free that part of Kashmir. Why? This means that the Government of India want to resolve the issue by dialogue. But its solution is elusive because the strategy of dialogue adopted by the Government has failed despite our fighting four wars and signing three agreements. This gives a clear message that you should fight a war to liberate the Pak. We should muster all the strength at our command for the purpose. Much has been discussed about the apprehensions of all kinds—be it at the international level. Just now the Minister of State for External Affairs has rightly said that America, when attacked by terrorists, clearly said...(Interruptions)

MR. SPEAKER : Mahtabji, you start now.

SHRI BRAHMA NAND MANDAL :that those who are not with us are with the terrorists and those who are with us are against the terrorists. Today we can say that those who are not with us at the international level are with the terrorists.....(Interruptions) Yes, there is courage. ... (Interruptions)

MR. SPEAKER : Mandalji, your time is over now.

SHRI BRAHMA NAND MANDAL : All the political parties either occupying the treasury benches or sitting on the opposition side are unanimous on the issue of national interests. It is not that only we are one but the people of the entire country are one. Not only the people of the country but also the armed forces of the country are one on this issue who feel that there should be a decisive war with Pakistan and the tangle should be resolved with entire Kashmir coming to India with the help of military action...(Interruptions)

MR. SPEAKER : Mandalji, now you must conclude. I am asking you because I have to give opportunity to others also. Mahtabji, you start now.

SHRI BRAHMA NAND MANDAL : Please give me just two minutes more. This issue has been somewhat discussed with allegations and counter allegations. When Khuranaji spoke the members of the other side started relating it to Hindus and Muslims. I was listening, there is no question of involving Hindus or Muslims in it. I have been sitting here all through the discussion but I fail to understand why politics is being mixed with everything. There is nothing like Hindu-Muslim in it. The Government

of India should take a decision and attack Pakistan, this will show whether the Hindus and Muslims of the country are united or not. All issues, even the issue of national interest are linked to secularism. What type of secularism is it? I want to ask you whether this is secularism.... (Interruptions)

MR. SPEAKER : Mahtabji, you have four minutes, if you don't start, four minutes will elapse. Mandalji you sit down otherwise your speech will not be recorded.

(Interruptions)

MR. SPEAKER : Mandalji, now your speech will not go on record. Mahtabji, you start now.

(Interruptions)

[English]

MR. SPEAKER : Shri Bhartruhari Mahtab, your party has been given only four minutes. Please conclude your speech in time.

(Interruptions)

[Translation]

MR. SPEAKER : I know the Minister has to speak at six.

(Interruptions)

[English]

MR. SPEAKER : Hon. Members, please keep silence.

SHRI BHARTRUHARI MAHTAB (Cuttack) : Mr. Speaker, Sir, I will try to conclude my speech within the limited time which has been given to me...(Interruptions)

MR. SPEAKER : I know that it has been decided in the Business Advisory Committee that we will complete it by 6 o'clock.

SHRI BHARTRUHARI MAHTAB : At the outset, on behalf of my Party and on my own behalf, I stand here to condemn the terrorist attack on the passenger bus on Jammu-Pathankot Highway, and on the storming of Army Cantonment at Kaluchak near Jammu on Tuesday last. But

[Shri Bhartruhari Mahtab]

I would like to mention here that these two incidents are pregnant with deeper meaning.

Sir, the incident that has occurred during Ms. Christina Rocca, the US Assistant Secretary of State, has deeper designs. Two things have basically been discussed here. We have discussed this issue in a general term and we have discussed about the activities of the Pakistan State and we have condemned the terrorist activities that are being sponsored from the Pakistan soil. We should deduce these two aspects. These aspects are, first the terrorist activities that are going on from Pakistan soil and the terrorists that are being sponsored by Pakistan. These are the two things that should be discussed threadbare.

Sir, we also have to understand the dilemma of the United States of America of today. America today is concerned with the continuance of Parvez Musharraf as the Head of State in Pakistan. That is the concern of Pakistan today because they are now fighting against the *Talibans* and also are fighting against the fundamentalists who were once very much entrenched in Afghanistan and are now in Pakistan. After December 28, when the Armed Forces from India were deployed in the Western Frontier, at that time we had discussed in this House, a lot of times, that when the snow will melt we would face a number of such incidents and such incidents would mount up in the days to come. But we have to make people aware inside our country and also outside that militants who are indulging in terrorist activities not only in Jammu and Kashmir but also in other parts of the country, they are not only Kashmiri militants but militants hired from different other countries.

Sir, a new word has been added to the dictionary, namely, cross-border terrorism. Terrorism has been in existence for the last 100 years. One is reminded of the first decade of the Twentieth century when terrorist activities started in Northern Ireland. Even today, the most affluent society, the United Kingdom is being affected by terrorist activities. The Southern province of Russia today is affected by terrorist activities. Close to our borders, Sri Lanka is facing the problem of terrorism. Similarly, Nepal is also affected by terrorist violence and so also India has

been facing terrorist activities for the last 32 years. Since the year 1979, terrorist activities in this country have multiplied manifold.

Sir, I would like to draw the attention of the House relating to four aspects. We have been discussing this aspect of terrorism for the last five and a half months now. Strategically, the Central Government has taken a number of steps. The first step was a diplomatic endeavour. Some may say that we have failed totally and some may say that we have partially succeeded in that endeavour. That is the first option to be exercised by any conscious Government and that step has been taken. The second endeavour related to economic activities. Efforts to be made for creating an economic blockade for the enemy country in order to weaken its financial base. To this extent, efforts have been made by our country.

Sir, many hon. Members in this House have talked about a limited war. I would like to refer to it as a targeted war. We have witnessed a targeted war in Kargil. It is nothing new. Targeted wars have taken place in different parts of the world. If we were to discuss about targeted war today, then I would say that targeted war is aimed at the military camps. I am told that such an exercise has already started. In case of targeted war only those areas should be targeted where we have information, either from the military intelligence and other supporting means about military camps. That is the third option.

The fourth option is the last option, and that is to go on war. What means, you have to go on war against another State, a full-scale war. But I have another suggestion to make. I think the Government is also considering it. When a country is faced with this type of a dilemma where you do not have a State which is directly in conflict with you but has a number of organisations which claim nationality to different other nations and have sponsors, you need mercenaries. At that time you need mercenaries to go into that State. They have a specific object.

Repeatedly we have been asking for peace and in return we are getting war. This is all a part of history now. The very basis of the foundation of Pakistan should be attacked now. We had attacked the basis of Pakistan in 1971. With the dismemberment of Pakistan, Bangladesh was created. Today, time has come for dismemberment of

Pakistan once again. For the last thirty years, I think Shri Aiyar will support me, we have been saying that we will not dismember Pakistan. After suffering 22 years of violence in our country, I think this is the time to go into that and make that attempt to dismember Pakistan, to obliterate that State from this world. Then only Pakistan and its people will learn a lesson because they have been repeatedly continuing violence against our State, against our people. Our people should also be educated to the extent that we will not tolerate Pakistan any more.

With these words, I express my sincere grief to the families of the citizens who have passed away, of the *jawans*, who are the pride of the country, who laid down their lives.

[Translation]

DR. RAGHUVANSH PRASAD SINGH (Vaishali) : Mr. Speaker, Sir, you have been generous enough to allow discussion under rule 193 on this important issue—the difficult situation the country is in and the tragic incident of Kaluchak following the terrorist attack. We had discussed in this very House when Parliament was attacked, POTO was there at that time but it was yet to become POTA. And an atmosphere was created that as and when POTO was converted into POTA the terrorist activities would stop, but now POTA is not even being mentioned here. For POTA, the Government went to the extent of getting it passed in a joint session of both the Houses as the Government were in minority in the Rajya Sabha, but why is it not being applied? Why terrorist activities are taking place and why are we being attacked? The Jammu and Kashmir Assembly, the Red Fort, the Parliament and the American Centre of Kolkata were attacked by terrorists, 36 people were killed in Shivpura, Kaluchak has just witnessed several killings. And all this terrorism, cross-border terrorism is sponsored by Pakistan as a result of which our people are being killed. Whenever such incidents take place we hear for two or three days statements that 'this time this is going to be a decisive war, 'now we will not exercise restraint any further, 'other countries need not preach us to keep patience etc. but still these incidents are taking place. The entire country will condemn this. The country is united against terrorism. Whenever there has been a national crisis, our countrymen are great enough to get united. National interest is

supreme for them, it is above everything else, Not once but many a time this has been put to test, but every time the country remained united.

Sir, after the incident of 11 September it appeared that a world wide opinion against terrorism will emerge and terrorism will be wiped out of this earth. America have their own power and they got tremendous support also enabling them to bring Afganistan to dust. Terrorism has not been wiped out. We are seeing double standard being adopted by America. Yet we rely upon them. This is a dangerous situation. When Chhattisinghpura was attacked by militants the former US President, Mr. Bill Clinton was on visit to India. Now also Ms. Rocca is here and Kaluchak has been attacked. I don't know whether this is a mere coincidence or a well planned act. On the very day of this terrorist act, the issue was raised in the House and the Home Minister gave a statement that two terrorist organisations had telephonically claimed the responsibility for the attack. We are listening to the speeches of hon. Members in the House who have said that the need of the hour is political will power. If the Government itself is politically ill, where on earth it can muster up political will. Public opinion is there, we are with the people and the entire country is unanimous in wiping out terrorism. Khuranaji, we have our men but they are at the receiving end there – all because of ourselves. When he was a Minister, he made a statement – "Let Pakistan fix the day, time and the battle ground, the country is ready for war...(Interruptions) We have heard his statement today also. On the day when Parliament was attacked, at almost 4 p.m. we were watching the T.V. Shri Deepak Chaurasia was asking questions from hon. Khuranaji and at that very time the terrorists had come. They were showing him and in the meantime the bomb exploded. Then Khuranaji left and Chaurasiaji remained there perplexed. ... (Interruptions)

SHRI MADAN LAL KHURANA : There is a bullet mark on the rear side of my car even today....(Interruptions)

MR. SPEAKER : Khuranaji, don't take it seriously. This is not a serious matter.

DR. RAGHUVANSH PRASAD SINGH : Khuranaji is our friend. It was stated afterwards that there will be a two or three day strike and as America routed Afganistan, India, also will rout Pakistan – such an atmosphere was created. But for that will power is needed. We know Pakistan's diplomacy is to directly patronise terrorism. Sixty four

[Dr. Raghuvansh Prasad Singh]

thousand people, innocent people, military men, BSF men and para-military personnel have been killed in Jammu and Kashmir due to Cross border terrorism.

So, in totality it appears that we could not isolate Pakistan. In this country, the situation is like this – "Neither the people nor India have lost, but it is our Government that have lost in diplomacy." It means that the people, too, are ready, we are proud of our military, army. The people of the country rely on them. The Government should tell us as to where they need help. We can extend moral support but the steering is in their hands. We are sitting on the rear seat, we can tell that there is a rock on the left and trench or the right. The vehicle is to be driven properly, but the steering is in your hands, what can we do sitting here on the rear seat. We can support you morally, guide you properly.

The problem of terrorism is not a problem of communalism. Like communalism terrorism also is a problem in its own right. The Government that cannot fight communalism, cannot stamp it out, cannot tackle terrorism also. On this issue we do not want to make any compromise and the Government that cannot strengthen the internal security, cannot be strong in external security also. So it is my suggestion that the Government should take the people in confidence. Jammu & Kashmir has an elected Government, that can never be surpassed. The common people there, the law abiding citizens, the people of the whole country all are to be taken into confidence. Sometimes terrorists are preferred and the common people are neglected....(Interruptions)

Sir, take the Government there into confidence, the common people are ready and the mandate is there. We are supporting the Government in wiping out terrorists, but how can the support to will power bring strength, this is the question.. So this problem can be resolved unitedly. Terrorism is there in the whole world, we are with you in whatever efforts are made to wipe out terrorism.

Sir, in the end I would like to say that we have heard that some motion is to be passed under rule 193. Rule 195 does not allow any formal motion in it, so how can the rule be violated. So the motion should be brought

later....(Interruptions) there is no harm if it is done with the permission of the Chair. So this should be done in view of all this and the entire House and the country is with you on this issue. Terrorism should be wiped out. ... (Interruptions) People have been killed in our country, people are killed in other countries, too. This is an act of terrorism, we feel the agony for that also. We do not merely condemn, we are angry and anguished. Why is the Government so weak or inefficient, why are they not willing to wipe out the terrorists. There should be a diplomacy to isolate Pakistan and the terrorists and then they should be fought with and wiped out with the help of the common people.

CAPT. (RETD.) INDER SINGH (Rohtak) : Mr. Speaker, Sir, I thank you for providing me an opportunity to speak on behalf of my party Indian National Lokdal. I have been given only two minutes to speak, first of all I would condemn all that has taken place in Kaluchak. Condemnation has lost its meaning so I would not condemn but merely say that the day our country got independent the seeds of terrorism were sown in the form of Pakistan by foreign powers through their diplomatic policy. We had to pay for it in the year 1947-48 and thereafter in 1962, 1965 and 1971. We kept on winning and losing, as well. I have been listening to the discussion going on in the House since twelve o'clock in the noon and I am reminded of the event that took place in this country seven thousand and five hundred years ago which puts up the question who will take up the form of Lord Krishna here. Laden and Musharraf have already taken the shape of Duryodhan and Shakuni. By drawing these comparisons I want to tell the House that 57 years have passed and we have not been able to treat this disease and are paying for it. When Mahabharata was analysed and it was asked who was responsible in this entire episode—the answer was Dharamraj Yudhishtir. Since Independence our Governments only have been playing Dharamraj Yudhishtir. The Pandavas were told that had they taught a lesson to the Kauravas in Laksha Mandap itself, only a few lives would have been lost. Had they avenged themselves after what all happened with them in Virat Nagari then only few more lives would have been taken. Finally, when Pandavas asked for only five villages which were denied and despite Lord Krishna's diplomatic intervention and warning. His advice was not adhered to,

'18 akshohani sena" was thrown in the battle and there was alround destruction in its wake. This country is going to meet the same fate.

Sir we have continuously been victims to foreign powers and these forces want to weaken us. The more we are delaying in getting ourselves treated for this disease and the role of Narad Muni being played by the United States....(Interruptions). Mr. Speaker, Sir, I would like to express my sentiments and suggest the more we will extend this issue the lesser it would be in favour of our country. It is time we took some concrete decision. When the entire country is united, the forces are on the battle front backed up by the House then we should not look upon the U.S.A. or England for taking a decision. Like Arjuna we should aim at the fish's eye.

Mr. Speaker, Sir, when Kunti asked Lord Krishna that what he would do when all his diplomatic ventures failed. He replied "Vinashchay Dushkritam" i.e. the only way out is to nip the evil. I am on behalf of my party, ready to tender every kind of help to the Government. Mr. Speaker, Sir, our region has always been and shall always remain in the forefront in battle and we desire a war so that country be cured of this disease.

SHRI SANAT KUMAR MANDAL (Joynagar) : Mr. Speaker, Sir, my party R.S.P. vehemently condemns the incident of terrorist attack in Kaluchak, Jammu. I symphatise with the families of children, women and the Jawans killed in that incident. We are discussing in the House how to fight against terrorism. This has been raised several times in the House. When Parliament House was attacked on 13th December at that time too, we had a discussion in this House but despite that terrorism is spreading in the country. Not only in Jammu-Kashmir the terrorist attacks have taken place at several places in the country.

Mr. Speaker, Sir, Jammu-Kashmir is a border state. The Government did not take any action to check cross border terrorism. We passed POTO here. The Government stated that the Bill was introduced in the House to check terrorism but despite the passing of the Bill terrorism is spreading in the country. The opposition parties should be taken in confidence on that. The people of India are with the Government as far as this issue is concerned but the

Government will have to take a stand. Whenever there is a terrorist attack in the country. The Prime Minister talks with Shri George Bush however, this will not end terrorism in the country. The Government on its own will have to take a decision in this regard. Our party supports the Government in fighting against terrorism. We shall support whatever steps are taken by the Government to fight against terrorism.

SHRI SHYAMACHARAN SHUKLA (Mahasamund) : Mr. Speaker, Sir, every party has been given extended time. Extra time should be given to Congress Party as well.

MR. SPEAKER : Congress party has been given full time to speak.

(English)

SHRI AMAR ROY PRADHAN (Coochbehar) : Mr. Speaker Sir, cross-border terrorism has been going on in the country. The terrorist attacks on the Jammu and Kashmir Assembly building, on the Parliament House, on the US Embassy are some examples.

I think the Government knows that on 14th May at a place near Siliguri in North Bengal there was a terrorist attack in which two people were killed. The credit should go to the West Bengal Government, the Police Intelligence and the Defence Forces to have foiled that attempt. That very night I was shocked to know of this terrorist attack in Kaluchak. So many innocent people who were in the bus, who were in the Army quarters were killed. I pay my respectful homage to them and salute those who are fighting for the country's integrity and safety.

When the country is in danger, when the Government likes to fight against terrorism, I, as a patriot, must lend my best support to the Government. But, before that, I would like to have some commitment from the Government also.

It is just to save our country from disaster, they are really acting with goodwill. The hon. Prime Minister is here. The hon. Home Minister is here. I would like to know very clearly from them on one point. Are you happy with the telephonic talk of Mr. George W. Bush regarding the incident of Kaluchak? At the same time, please remember

[Shri Amar Roy Pradhan]

that it is Clinton, it is Bush and the Washington lobby who is behind the creation of Osama-bin-Laden. Osama-bin-Laden is the creation of America. At the same time, I must say on what is happening in Palestine. Who has done it? Who is behind the fighting of Palestine and Israel? It was America who was responsible for all these things.

Jammu and Kashmir Assembly elections are ahead. It think it is in the month of October. But it is a test for democracy in Jammu and Kashmir. Ultimately, it will present a good picture outside India. So, to have a democratic set-up in a proper manner, it is the Central Government who must act properly to conduct the elections smoothly in October.

Shri Sangma has referred to the recommendations of the Subrahmanyam Committee. The Subrahmanyam Committee has talked about a full-time Security Advisor alongwith 24 other items. What action has been taken by the Government so far? No action has been taken. When it has stated that there must be a full-time Advisor, why has it not been changed? What is the difficulty in this? Sir, all these points must be made clear by our Prime Minister.

Here in this august House, I pay my respectful homage on this occasion.

[Translation]

SHRI HARIBHAU SHANKAR MAHALE (Malegaon): Mr Speaker, Sir, I thank you for providing me an opportunity to speak on this subject. Osama Bin Laden went to New York on 11 September and destroyed the World Trade Centre. While Swami Viveka Nanda went to New York carrying the message of peace from India—this was the difference between Laden and Swami Vivekananda. When Swami Vivekananda went to America and delivered a speech there, one of the persons from the audience said what was there in words. Swamiji became angry and raised the pitch of his voice. Then, that man interrupted him and said 'You are a saint, then why are you losing your temper'. Swamiji replied 'when he said there is nothing in words then I spoke angrily'.

Mr. Speaker, Sir, the voice of communalism should be

checked in our country. If countrymen belonging to any religion, are united, the country would achieve greatness. "Janani Janambhoomi Swarag Se mahan hai" (Mother and the motherland stand higher than heaven). In this way if we stand united terrorism will be uprooted and the country will make strides.

[English]

SHRI AJOY CHAKRABORTY (Basirhat) : On behalf of my Party, I express deep sense of sorrow and convey our sincere condolences to the bereaved families who have lost their children and wives due to the massacre and barbaric act of the terrorists on 14th May at Kaluchak near Jammu.

18.00 hrs.

I am sorry to say that we have failed to protect the families of Army personnel, who are sacrificing their lives for the motherland. I convey my gratitude and pay salute and respect to the great *jawans* who are fighting for the motherland and sacrificing the lives. I also pay my gratitude and pay my salute the people of Jammu and Kashmir who are fighting terrorism.

Mr. Speaker, Sir, I would like to express my anguish, rather hatred, against different terrorist groups who are sponsored by Pakistani Administration and patronised by the Pakistan Government, who want to destabilise our country, destroy our sovereignty, and destroy our national integrity. I am sure the Pakistan Government will be frustrated because the entire nation, irrespective of caste, creed and religion and irrespective of political affiliation, is united now for the cause of motherland. Right from this House to a remote corner of the village, people are fully united for the cause of the nation. We have every right to protect our motherland. We have every right to crush terrorism. We have every right to crush cross border terrorism. I am apprehending that some quarters are campaigning that time has come to teach a lesson to Pakistan. Some people are saying and campaigning to go into the territory of Pakistan. I urge the Government of India, though the Government has every right to curb terrorism and protect motherland, it should not take any retaliatory action. It is because that would be detrimental to the interest of crores and crores of people of our country.

Every day, we are observing joint military exercise by our Army and the American Army at Agra. What is the role of America? They are issuing statements and they are giving us advice. But it has not taken any concrete or positive action to compel the Pakistan Government to curb terrorism and not to patronise the terrorist activities in the Indian territory. I urge the Prime Minister, the Home Minister and other senior Ministers not to trust America. If you trust, then you are living in fool's paradise. America gives us advice. At the same time, they supply arms to Pakistan. They are giving billions and billions of dollars to Pakistan in aid, which is trying to destabilise our country. They are creating havoc in our country. The Pakistani terrorists are killing innocent people. Innocent people have been killed in the attack in Jammu and Kashmir Assembly in October, in the 13th December incident and in the 14th May incident at Kaluchak.

Finally I want to say that the whole nation is united in the time of national crisis. International support is also forthcoming. In this hour of crisis, the entire Opposition is behind the Government of India. We pledge our full support to the Government of India, whichever be the ruling party. The Government should take suitable action to crush terrorism. We are behind the Government. We have already pledged our support. The entire nation is united. The entire Opposition has pledged support to the Government of India. I urge the Government to take positive action for the sake of our motherland.

SHRI SIMRANJIT SINGH MANN (Sangrur) : Sir, my Party Shiromani Akali Dal (S.S. Mann) strongly condemns this attack by the terrorists on innocent people.

Since we know about what militancy is, I can say from the heart that this sort of terrorism cannot last for very long. When any militancy or any terrorism starts killing innocent people, innocent women, innocent children, starts raping women, looting people, then they lose the high moral ground. I do not think that this sort of militancy can be sustained any further. But I am also a great advocate of greater and higher morality in foreign policy and diplomacy. I believe that India has lost the diplomatic battle because morally and justifiably we ought to attack and fight terrorism and genocide.

There are two scourges in this world today which the

civilised world cannot stand up. One is terrorism and the other one is the crime of genocide. While fighting the crime of terrorism and fanning the crime of genocide, we cannot win a moral victory diplomatically. If we have to win the whole game diplomatically, then, we will have to fight both the scourges.

The third problem and the root problem is Kashmir. My party advocates that the democratic institutions and democracy should be strengthened in that State. The democratically-elected Jammu and Kashmir Assembly has passed a Resolution saying that they want the revival of the 1953 status. It is a democratic decision. It is a peaceful decision. It is a constitutional decision and a practice. I do not know why this current Government and the opposition are denying Kashmir the status and not strengthening the democratic forces in that State.

With these words, I conclude.

[Translation]

AN HON'BLE MEMBER Mr. Speaker, Sir, kindly extend the time of the House

MR. SPEAKER I had to adjourn the House at six o'clock but hon. Minister has to give this reply.

[English]

SHRI SANSUMA KHUNGGUR BWISWMUTHIARY (Kokrajhar) : Hon. Speaker, Sir, I am very much grateful to your honour for having given me a chance to speak on the very crucial matter which relates to a very condemnable recent terrorist attack on the lives of innocent people and the Indian Army jawans in Jammu and Kashmir. On behalf of several millions of our Bodoland people, I extend our heartfelt gratitude and sympathy to the nearest kith and kin of the unfortunate victims and the Indian Army jawans who laid down their valuable lives at the hands of the unwanted terrorist elements. I do strongly condemn that kind of a terrorist activity in recent times.

I would like to appeal to the Government of India to be very serious enough in regard to the militancy and insurgency situation which is prevailing in the entire North-Eastern region of India. In this connection, once again I

[Shri Sansuma Khunggur Bwiswmuthiary]

would like to urge upon the hon. Prime Minister of India Shri Atal Bihari Vajpayee as well as Shri L.K. Advani, the hon. Union Home Minister and Shri George Fernandes, the hon. Union Defence Minister to handle the burning Bodoland issue and some other militancy-related crises of the entire North-Eastern region, with positivity and pragmatism. Over the last few years, a good number of innocent people both Bodos and non-Bodos have been killed, and brutally massacred by some unwanted extremist elements in and outside Bodo Land area in Assam. But the Government of India has totally failed to provide safety and security to the Indian Bodo Tribal people in the North-Eastern region.

I would appeal to the Government of India to take very concrete action to bring about a lasting political solution to the burning Bodo issue, without further delay, so as to help facilitate the existence and survival of the Bodo peoples in India as dignified Indian citizens within a separate State of Bodoland at par with the rest of the country.

(Interruptions)

CHOWDHARY TALIB HUSSAIN (Jammu) : I was the first Member who was so concerned that I submitted three notices. I represent the Jammu constituency. ...*(Interruptions)*

MR. SPEAKER : Please speak for one minute.

(Interruptions)

CHOWDHARY TALIB HUSSAIN : I was expecting justice from you. ...*(Interruptions)*

[Translation]

Mr. Speaker, Sir, the gravity of this incident of 14th May at Kaluchak can be imagined by the number of notices sent by all the Members of this August House to express their concern over this matter. I am also one of them although a new member. Being a representative of that place I am equally grieved as are other members of this House.

Sir, I sent you notices as per the rules of Procedure

and I feel that we kept on demanding from Zero hour to adjournment motion as per that book but I would appreciate you that you gave me an opportunity to speak on this issue only under Rule 193 (a) so that we could express our views. Undoubtedly, very little can be discussed as per this rule. The way the hon. Senior Members of this House spoke for one hour or 40-minutes each, and I was given only 2-3 minutes to speak, for which I personally feel sorry but obeying your orders I will conclude in only two-three minutes.

Sir, whatever we may say is little about this incident and the infant who died yesterday was only 45 days old and was the 36th victim. In addition to those there are many who are lying in the hospital. We all condemn it. We condemn it rising above party lines. I belong to National Conference. We have been victims of terrorism for the last 12 years and our 15-16 legislators, M.L.A.s and M.L.Cs. were victims of militancy. Likewise, no day passes when firing does not take place in the Kashmir valley, no one dies, 20-30 people do not die.

Sir we are grateful to Mr. Home Minister and the Leader of opposition who personally go and visit those places whenever such a major incident takes place. Be it a distant place like Kot Chalwal or any difficult area, Advaniji, himself witnessed those places. The extent of help given by the local people to combat terrorism can be imagined by the manner in which so many innocent people were killed in the name of informers. It is a very long discussion. I do not wish to delve into it. I want to request that our state Jammu-Kashmir is passing through a state of financial crunch. So many measures have been taken there and today it is being suggested to take some action there since it is the only treatment for all these vices and diseases as *[English]* offence is the best form of defence. *[Translation]* we are ready to support the action taken by the Government but simultaneously, I would like to request that special package be released to restore the infrastructure which has become decrepit.

Sir, finally I would express my sympathy for those families whose precious kith and kin were killed in this incident. I would also thank the hon. Members who have taken this incident very seriously, discussed it and gave suggestions which the Government should implement. With this I support it.

THE MINISTER OF HOME AFFAIRS (SHRI L.K. ADVANI) : Mr. Speaker, Sir, I can recollect that the deliberations we had in the wake of attack on the Parliament and issue we are discussing today are the same. It seems that the entire House and all the parties are speaking keeping in mind the conclusion that would be drawn out of this discussion. It is but natural that each side tries to prove itself right and the opposition wrong during discussion. What can be termed as

[English]

Naturally everyone wants to score debating points. It is natural in a debate.

[Translation]

But sometimes it appears that we are trying to give some message to the world during discussion. Even if one of the voices sounds critical the message is always the same.

At least since, we have been in power, I remember it fully that in March 1998 when Shri Atal Bihari Vajpayeeji became the Prime Minister and we took oath as Ministers, at that time if someone asked us about the greatest challenge before our country, my simple response was that cross-border terrorism is the biggest challenge before the Government. Of course, being in the Ministry of Home Affairs I can see that the country is facing the challenge of poverty and of development. Had it not been there we would have alleviated poverty from the country and would have paved the way for development. But till this problem is continuing we cannot think of any other problem as critical. It is very natural.

I was counting the number of times we discussed this issue of terrorism in the context of Jammu and Kashmir in the last four years and sought information from the office of Parliamentary Affairs. They gave me a list which stated that this issue was discussed 28 times in both the House. If we add to it two times the discussion on the issue being held today in Lok Sabha and Rajya Sabha, the number would come to 30.

[English]

We have been discussing terrorism for 30 times in the context of Jammu and Kashmir in the last four years.

[Translation]

That is why it is not unnatural. Whatever has been said today is all natural. The history of international terrorism, the people may not be remembering started in Munich where some time Olympics were held, there a major terrorist incident took place. But I am agreed that 11 September, 2001 was a turning point from the viewpoints of the world as well as terrorism. This was a turning point as one could never forget this date: Hijacking of four aeroplane on a single day and that too in the most powerful country and then using these aeroplanes as missiles and thereby killing more than five thousand people in a single day, is a very big thing. Those killed were not only Americans. They included the people from various countries including India also. They all were killed in a single day.

We have been the victim of terrorism for the last twenty years, and at least we all know that over there four years were have had talks with various countries and had requested them try to understand our problem. This is more fatal than the actual war since in war we know that who our enemy is. The soldiers fight in war, a common man does not fight but in terrorism. More often than not it is the common man, who becomes the victim. Therefore, we had separately by tried to make them understand this point. Mentally or at intellectual level, they were of the view, that there was a point in what we said. Several countries also formed joint working groups with us in these four years to counter terrorism. But, I am of the view it is the incident of 11 September, 2001 which made them realise that how fatal the terrorism could be.

Our Prime Minister, during his visit to America touched upon the terrorism and said that the terrorism knows no boundaries. And they felt it on 11 September, 2001 that have dreadful it could be. And about the Kaluchak incident, several people have said that our intelligence should have known it before hand. And how we failed in protecting their families. It is easier to say than done. We have no objection to it either. But we should also admit the fact that the terrorism is a grave danger and it becomes more grave when the terrorist state or country produces suicide squads, which they call Fidayeen. We could have save one of our former Prime Ministers. America could not sure its World Trade Centre and Pentagon. It is not a security failure, but we should realise it and understand it as to

[Shri L.K. Advani]

what sort of crisis we are grappling with. There were three persons in the suicide squad which attacked at Kaluchak. I would like to inform the House today as to who they were one was Abu Suhel son of Mohd. Sadiq, a resident of Nissar colony, Faislabad, Pakistan, and the second one was Abdul Marsad son of Mohd. Mir Dulla, a resident of district Gujaranwala, Salamatpura and the third one was Abu Jubar Durai, a resident of village Bura Gawaria, tehsil Nausera, Bikron, Gujaranwala, Pakistan. All the three were Pakistani nationals. Similarly, those five who attacked at Parliament were also Pakistani nationals. The persons who had attacked the American centre at Kolkata were also Pakistani nationals. Yes, they get assistance sometimes. They get assistance from somewhere or the other. The five terrorists who attacked the Parliament, their associates have also been charge-sheeted. I do agree that the kind of diplomatic efforts we had been making in the last some years got a boost after the incident of 11 September. America made a statement after the 11 September's incident to the effect that this is a grave problem and they said that they will fight against it wherever it exists and an international coalition against terrorism would be put in place. India maintained that it was a good move on their part and said we would extend our cooperation in their endeavours in this direction. And if I recall well that whenever any American delegation would come to call on me those days, I would say that the kind of steps they had taken, the world welcomed them. And India also welcomed them. But I would like to stress on the point that though the Government welcome the steps taken by you but the people of India do not understand this as they do not have any faith on Pakistan. I told them that when they think of terrorism, it is Pakistan which comes to their mind. And this fact is deep rooted in their psyche that it is Pakistan and Taliban which are together spreading terrorism in India.

Innocent people are being killed here, and it is very difficult for a common man to understand as to how Pakistan has become your major ally in the war which you want to wage against terrorism.

[English]

We, in the Government, can understand.

[Translation]

What your compulsions are? We know your compulsions that Pakistan is nearest to Afghanistan from geographical point of view. I also told them that they know it very well how the I.S.I. contributed in creating Taliban and how close rapport the I.S.I. and Taliban have. Therefore, it was understandable that they could reach out Taliban only by using the Pakistani soil. And we clearly understood their strategy and compulsions. But it is very difficult for a common man to understand all these things. A common Indian thinks that America and Pakistan have had old relations and they are reviving their old friendship, and they are again coming closer. And they tried to assure us a thing which some members mentioned here or there. They said it was a first phase and it was targeted against the Taliban and they did not want to diffuse it this time.

But time and again we take pledge. Our hon'ble President also stated that terrorism is our enemy, wherever it strikes. We will fight against it and we will do something more even after combating terrorism.

I am mentioning all these things, because we had apprehensions in this regard from the very beginning. The reason for such apprehension was that the day on which Pakistan took this decision and announced that they would cooperate America, the same day they stated in their public statement that this decision would prove helpful to them in Jammu and Kashmir affair. We also tried to draw the attention of America towards that public statement and we are in a position to comment over the attitude of Pakistan since the incident of September 11. As far as India is concerned, they had taken a decision long back that it is not at all possible to wage direct war against India. They waged war against India thrice i.e. in 1947, 1965 and 1971 but every time our forces gave them a befitting reply. Thereafter, they brought a shift in their strategy and decided to wage a proxy war by entrusting ISI the task of spreading terrorism, infiltration and sabotage. We have got all proofs regarding that decision and this is not for the first time when we acquainted the coalition formed to fight against international terrorism. Despite that we must accept that the atmosphere which was created after incident of September 11, will prove helpful for us. That situation prevails today also but we have to fight on our

own and not with the help of others. Why others will come forward for our rescue and for what reasons and after all it may not be possible for them to do so. We have to achieve success on our own and we can do that. It is not that we can not do it. Despite the democratic system of Government we can do it. Democracy may have some loopholes but sometimes dictatorship could not weigh the inherent power of democracy. I do believe that the manner in which today's debate has taken place is certainly going to prove a milestone in our fight.

Situation has not changed much after the incident of September 11. We have several proofs in its support. I find a sequence between the incident of Kaluchak and the attack on Jammu and Kashmir Assembly on October 1 and whatever happened here on 13th December because all family members of a family comprising three children, two daughters, and a son and their mother, would have met with this fate. I do not know whether Shri Omar Farook is present or not here; he narrated the incident in a detailed manner. We are under heavy pressure because of this incident. Entire force is deployed on borders. Their family members were killed in this incident. 31 people were killed in Kaluchak incident including three security personnel and twenty one of their family members. There were women and children among them. Now, we have to respond them back. I do not consider this incident equivalent to others because today's debate was actually a mark of honour to all of those jawans.

Shri Omar Farookh has rightly said that the incident of Kaluchak is as much serious as the incident of attack on Parliament. Our jawans have been deployed on borders and their family members get killed. We should consider by taking this as a very important aspect. It is right that this is not the right time to voice rhetoric or express anguish or sentimental reactions. Government should decide by delving over each and every thing. If Government would take a decision, they are suppose to consult the security personnel. All aspects need to be considered. We have to dole over the possible developments. It is not necessary to announce the government's strategy here in the Parliament. On this occasion all of us have given support and authority to the Government to seek opinion of everybody and come out with a proper response. Response must come out so that we can arrive at a conclusive condition, which is still a dream for us. That

has been going on for several years. Our enemy is feeling much encouraged.

One American representative met me yesterday. He also talked to me about Kaluchak incident, while narrating the incident. I got an assurance of support on their part, who set up international coalition against terrorism. Under such circumstance also, these people behave in an arbitrary manner and thus they are feeling encouraged. I, therefore, said that as far as this country and the people of this country are concerned, they bear some grudges towards Pakistan, but they are experiencing a deep sense of disenchantment for you. It is a thoughtful consideration otherwise what happened recently and the role you played had proved, for them encouraging. The Government of India never go back on placing facts.

One thing will emerge out of today's discussion that the entire country is united and we are not dependent upon anybody else to get victory over terrorism. We depend on ourselves for this. But we must get victory over it because without this we cannot control it.

SHRI MULAYAM SINGH YADAV : I am sorry for interrupting you. I have to go somewhere, so I am saying that we are with you in eliminating terrorism. ...*(Interruptions)*

SHRI L.K. ADVANI : I recall my visit to Washington in the month of January. People there asked me a question,

[English]

"Is there going to be a war between India and Pakistan?"

[Translation]

Be they journalists, be they Senators or the Congressmen or the Indians who met me—all of them put this question to me. My reply to them was that I could not make out their question because the incident of 11 September was fresh in my memory. On the same day in the evening or the very next morning I heard the speech of the US President who said that

[English]

"terrorists have declared a war on America."

[Shri L.K. Advani]

[Translation]

That single incident of that day prompted them to see it as a war against them. But the terrorists have waged war against us for the last 20 years.

Here, this war is going on continuously and a number of people are being killed every day. All that we have to decide is whether our reaction will remain the same as has been till today. It is not that there has been no reaction at all. Reaction has been continuous. Our security personnel have killed 601 terrorists during the first four months of this year. There is no denying that our people are also killed. As per figures available to me, there is some improvement in the ratio. In the year 2000 one security personnel died as against four terrorists. In 2001 also the ratio was the same but this time there is a slight improvement and one security personnel dies as against six terrorists. I admit that we do not lose as many security personnel in any war as we lose in the proxy war. ...*(Interruptions)*

SHRI SHYAMACHARAN SHUKLA : Terrorists attack you and are killed but I ask you as to why you do not attack them and finish them strategically...*(Interruptions)*

SHRI MOHAN RAWALE : As many as 24000 people have been killed. Why don't we attack Pakistan? Discussions will go on. Let's attack Pakistan...*(Interruptions)*

SHRI L.K. ADVANI : There is a simple answer to the question asked by Shri Shuklaji. Had it been possible to identify the terrorists, it would have been easier to reply but as per the information available with us...*(Interruptions)* As I have said that 601 terrorists have been killed, it is not that all of them attacked us and were killed in the process. There have been many intelligence based operations, they have been killed in proactive operations, intelligence based proactive operations. So we do not give any let up in this regard whatsoever you do.

[English]

The democratic country, which is the victim of terrorism and particularly State sponsored terrorism, is at a slight disadvantage.

[Translation]

To tackle terrorist organisations is one thing but

[English]

State sponsored terrorism is very dangerous. It is highly dangerous and Pakistan has been acting as a terrorist state for the last many years, for nearly two decades now.

[Translation]

In the past, therefore, whenever questions were asked, they were concerned for us, but what are their touchstones, on what basis they can say so because Pakistan say that they do not provoke terrorism. When I was there, I was repeatedly advised to wait till 12 January when Parvez Musharraf Saheb was to deliver his speech and he delivered his important speech on that day. At that time I had not gone through the document of the US Government which I later read in which they had thoroughly dealt with what led to the Kargil war. Vajpayeeji tried to bring peace by his bus diplomacy, his effort was lauded but Parvez Musharraf Saheb reversed the whole process. Here is a report which was presented to President Clinton by a special Assistant of his Bruce Rudo during the Kargil war:

[English]

"The situation was further clouded because it was not altogether clear who was calling the shots in Islamabad. Prime Minister Sharief had seemed genuinely interested in pursuing the Lahore process when he met with Vajpayee and he had argued eloquently with a series of American guests including US's UN Ambassador Bill Richardson when he wanted an end to the 50-year old quarrel with India."

"...that he wanted an end to the 50 year old quarrel with India. His military Chief, General Pervez Musharraf seem to be in a different mould. He was said to be a hardliner on Kashmir, a man, some feared, was determined to humble India once and for all."

[Translation]

It is their report and their assessment.

[English]

DR. NITISH SENGUPTA (Contai) : When you had all the information why did you have to recognise Pervez

Musharraf as President and give him international respectability?...*(Interruptions)*

SHRI L.K. ADVANI : Well, let me tell you.

[Translation]

Pakistan started war with India in 1947 and sent in Kabayalis in Jammu and Kashmir. When they went a little off Srinagar then Indian army pushed them back. However, since 1947 India's policy has been to strive for having friendly relating with Pakistan. Though this is possible that they might have felt that this new Government not intend to have cordial relations. But Shri Vajpayeeji made two sincere efforts. Firstly, he went on to Lahore on bus journey and is return to got Kargil despite it Shri Vajpayeeji got elected with people's mandate and the next day, there was a coup in Pakistan in which the elected Prime Minister was ousted and Shri Parvej Musharraf took over there. After some period, things moved a little further. Consultations with the political spectrum the Government decided to invite Shri Parvej Musharraf for dialogue. He was invited to Agra for Agra summit talks yet no break through could be made. Their obsession is to annex Kashmir and he wanted to be seen as uncompromised in Kashmir and that was what he wanted to prove and wanted to win the hearts of Pakistanis. Despite his other weaknesses, he wanted to march ahead on the basis of it, this has been their resolution' all through*(Interruptions)*

SHRI BRAHMA NAND MANDAL What is our resolution, let us know.

SHRI L.K. ADVANI : They pursued the policy of proxy war. In the beginning they thought that they would abet Kashmir resistance and insurgency, which and indoctrinate the Kashmiris and export terrorism to India with the...wed support. After Kargill war, one Mr. Ayaz Amir had written an article in the 'Dawn' in which he stated.

[English]

"Kashmir and the power of illusion" in which Ayaz Amir Corner wrote:

"as long as the Kashmir insurgency was largely a home grown affair."

[Translation]

That means, Kashmir insurgents after getting training in Pakistan, spend terrorism and killed people in India.

[English]

The advantage was ours and the odium was India's. But then in a replay of Afghanistan.

[Translation]

What we did in Afghanistan with the help of Taliban we would like to replay in Afghanistan.

[English]

Then, in a replay of Afghanistan, we had to bring the Kashmiri resistance under the wings of the ISI, which meant that the Pakistan based Jehadi organisations, began overshadowing the Kashmiri element.

[Translation]

Thereafter he wrote about Jihad.

[English]

"The stark truth is that *Jehad* had no future in Kashmir. This is a harsh thing to say, given the blood-spill and the sacrifices rendered, but, unfortunately, all too true. A continuation of the insurgency can bleed India, but it cannot secure the liberation of the State..."

This much should be clear from the history of the last 53 years. What the Pakistan army has failed to secure in full-fledged battle, the *Jehadis* cannot hope to achieve with their hit-and-run tactics."

[Translation]

This article has been written by an intellectual of Pakistan. The 'Dawn' is a renowned newspaper of Pakistan and it has been published in that. I am quoting it just to make a point that there is realization even in Pakistan that they can not get Kashmir with their tactics. An honorable Member from Jammu and Kashmir rightly said that 75-80 percent out of the total terrorists operating in the state are foreign mercenaries. Why it is so? It is, in fact, Fidayeen Monia. They do so on the basis of fundamentalism. I would like to say a few words in today's scenario. We shall have

[Shri L.K. Advani]

to keep the ground realities in the mind. Our information is that sometime back L.e.T. Jaish-e-Mohammad cadres were asked to shut down their offices remove the sign boards and change their names and continue their activities.

[English]

For sometime you have to lie low.

[Translation]

Gradually that phase was over, today our information is that—

[English]

"The training camps and establishments of various militant *tanzeems*, including *Lashkar-e-Toiba*, *Jaish-e-Mohammad*, *Al Badr* and *Hizbul Mujahideen*, continue to function freely as before, the only difference being that their sign boards have been defaced and posters on the walls removed. Open processions, slogan shouting, call for *Jehad*, collection of funds have been discontinued in order to mislead the outside world."

[Translation]

Training camps have started functioning again and at least 70-75 training camps are there, after change in Afghanistan, three-four thousand Taliban—

[English]

The *Al Qaida* cadres, mostly Arabs, have shifted from various parts of Afghanistan to Pakistan. About 2,000 of them have settled in tents in Pakistan-occupied Kashmir.

[Translation]

Sir, there are the facts, inputs and entire information and after taking into account all this, we shall have to decide in this context.(Interruptions)

SHRI RAMJI LAL SUMAN (Firozabad) : Sir, with all humility, I would like to request you that in the context of

today's debate on terrorism in the house today, the message is that the whole country is unitedly with terrorism. The utmost important question is that in these circumstances, Pakistan does not want to compromise. Shri Advaniji, your information is absolutely correct. The masses of the country want to know as to what you intend to do to fight terrorism. It will be better, if you throw a little light on it. You keep this information with you. The country wants to know as to what you are going to do.(Interruptions)

MR. SPEAKER : The hon'ble Minister is replying now and let him complete his reply.

SHRI MOHAN RAWALE : Sir, how many people are dying there?

SHRI L.K. ADVANI : I have not listened to all the specters.

SHRI SATYAVRAT CHATURVEDI : Mr. Speaker, Sir, all sections of the House has supported the Government in the discussion on terrorism. During the debate, certain very important issues were raised which shall throw light on their incidents. I welcome the facts and information you have put forth, but the Kargil Committee report has been lying with us for the last three years.....(Interruptions)

[Translation]

What about the recommendations which were to be implemented. We want to know about this and what is our future plan and how are we going to check it. What is the policy of the Government in this regard? What is the Kashmir policy of the Government?

SHRI L.K. ADVANI : Hon'ble Shri Chaturvediji, I didn't expect this from you. I am not surprised by the points raised by the members from that side but the people who have once been in the Government are well aware that such things are not announced by the Government in the Parliament.

SHRI SATYAVRAT CHATURVEDI : We are not seeking any classified information.

SHRI L.K. ADVANI : I have got your point. What I can say is that the Government are aware of the gravity of the

matter and all the political parties are willing to extend full support to the Government in this regard and so is the entire country. I have supplied some facts and inputs to you on which appropriate decision would be taken after inter-acting with the hon'ble Prime Minister, his Cabinet colleagues and the top brass of the armed forces. Whatever decision is taken it would certainly be shared with you. I cannot say right now as to how you will get that information. It may be the hon'ble Prime Minister who did not speak here, may deem it necessary and wants us to address the country through television. But I believed that the hon'ble Prime Minister would call a meeting of the leaders of opposition parties and discuss with them before taking any decision in this regard such a view has gained currency and we will move in that direction.

[English]

SHRIMATI MARGARET ALVA : Hon. Minister, do you agree with what the Chief of Army Staff said today that the time for talk is over and the time for action has come? ...*(Interruptions)* Do you support that statement of the Chief of Army Staff? He said that the time for talk is over and time for action has come. What has the hon. Minister of Defence to say on this? ...*(Interruptions)*

SHRI L.K. ADVANI : What the Chief of Army Staff has said has been reported in the Press today. ...*(Interruptions)*

SHRIMATI MARGARET ALVA : What is the Government's reaction?

SHRI L.K. ADVANI : He has also that the decision has to be taken by the nation, by the country which means Parliament advising the Government and the Government will certainly do its duty in this regard. Thank you.

MR. SPEAKER : Hon. Members, I propose to move the following Resolution.

"This House strongly condemns the most dastardly attack at Kaluchak, Jammu on 14th May, 2002 by terrorists belonging to Lashker-e-Toiba and Jaish-e-Mohammad from across Pakistan and conveys its heart-felt sympathies to the bereaved families.

We have consistently tried to build friendly relations with Pakistan through the mechanisms provided by the

Simla Agreement and the Lahore Declaration, to solve all existing problems. But to our great disappointment, our efforts did not meet with the desired response from Pakistan.

It is essential that the leaders of the World community take note of the continuing acts of terrorism encouraged by Pakistan so that united and effective action can be taken against the same.

The House now resolves to fight against such senseless acts of terrorism which are against humanity as a whole, in a united and determined manner and declares this Nation's commitment to see an end to this menace."

If the House agrees, I declare that the Resolution is unanimously adopted.

SEVERAL HON. MEMBERS : Yes.

The Resolution was adopted unanimously.

[English]

MR. SPEAKER : The next item on the agenda is a Bill by hon. Minister Shri Shanta Kumar. If the House wants, I can take it up now.

SHRI SHIVRAJ V. PATIL : No, Sir.

SHRI K. YERRANNAIDU : Sir, we will take it up later in the Monsoon session.

MR. SPEAKER : If the hon. Minister of Parliamentary Affairs agrees, we can do it like that.

SHRI K. YERRANNAIDU : Sir, we passed this unanimous Resolution on the floor of the House. ...*(Interruptions)*

SHRI PRAMOD MAHAJAN : This is the last day of the Session. I request the hon. Members to kindly stay for 'Vande Mataram'.

[Translation]

MR. SPEAKER : I request all of the hon'ble Members that after validictory references national song will be

played and after that the House will be adjourned. National song will be played after a short while.

18.55 hrs.

VALEDICTORY REFERENCES

[Translation]

MR. SPEAKER : The Ninth Session of the Thirteenth Lok Sabha which commenced on 25th February, 2002 is coming to a close today. As many as 40 sittings lasting more than 219 hours were held during the session. The House had a break from 23rd March, 2002 to 14th April, 2002 to enable the Departmentally Related Standing Committees to consider the Demands for Grants of Union Ministries and Departments and submit their reports to the House. The Standing Committees of Lok Sabha submitted 74 Reports during the Session.

During the Budget Session, the House transacted many important items of financial, legislative and other business.

After a debate lasting more than 12 hrs., the House passed Motion of Thanks on the President's Address on 16th March, 2002.

The General Budget and the Railway Budget of the Union and the Budget of Uttar Pradesh which was then under President Rule were passed with full cooperation of the entire House. The House even sat late to facilitate discussion on the Budgets. During the Session, the House passed 38 Bills. These included an important viz. the Prevention of Terrorism Bill, 2002, seeking to replace the Prevention of Terrorism (Second Ordinance), 2001 which was passed by the Lok Sabha on 18th March, 2002 but rejected by the Rajya Sabha on 21st March, 2002. For the third time in the History of independent India, Hon'ble President of India summoned a Joint Sitting of both the Houses to resolve the disagreement between the two Houses on the Bill. At the Joint Sitting of both the Houses held on 26th March, 2002, the Prevention of Terrorism Bill, 2002 was passed.

The House had long and fruitful debates on four

important matters of urgent public importance under Rule 193. These debates, which were very well participated were on :

- (i) The Godhra Killings and subsequent violence in Gujarat;
- (ii) The statement given by the Prime Minister on 14 March, 2002 regarding current situation of Ayodhya in the wake of the Supreme Court Judgement;
- (iii) Financial package for state of Bihar; and
- (iv) Terrorism attack on bus passengers and army camp at Kaluchak, Jammu on 14 May, 2002.

A large number of Members took part in these discussions.

Four matters were raised by way of calling Attention Motion in response to which the concerned Minister made statements. Besides, as many as 16 statements were made by the Ministers on various other important subjects.

As regards Private Members' business as many as 39 Private Members' Bills were introduced. One Private Members' Bill and two Private Members' Resolutions were discussed and were withdrawn by the movers with the consent of the House.

The hon. Members raised 314 matters under rule 377. Besides the Members raised 171 matters of urgent public importance during the Zero Hour.

I take this opportunity to thank all the Hon'ble Members, especially the leader of the House, the leader of the opposition, the leaders as well as the Chief whips and whips of all parties, for the kind cooperation extended to me, our Deputy Speaker and my colleagues in the Panel of Chairmen in the completion of the business of the House.

I would like to express our appreciation and thanks to the officers and staff of the Lok Sabha Secretariat and allied agencies for their valuable support in running the House. I also thank the media for the cooperation extended by them.

Before I conclude, I would like to take this opportunity to once again thank all the Hon'ble Members of this House for reposing their faith in me by electing me to this exalted position of Speakership of the largest democracy in the world. I also express my gratitude for their full cooperation and help in running the House.

19.00 hrs.

Hon. Minister, it would be my earnest endeavour to conduct the proceedings of this august House in an orderly manner. My priorities for this purpose would be: to ensure cooperation of all of you, discipline and decorum in the House, to provide, as far as possible, equal opportunities to all the Hon'ble Members to raise matters and participate in discussions on the floor of the House and to regulate the 'Zero Hour' to facilitate raising of matters of national and international importance. In order to achieve these objectives, I propose to hold periodic meetings with Leaders and Hon'ble Members.

I have observed that the Question Hour is not being utilized as judiciously as it should be and many Starred Questions remain unanswered on the floor of the House. The average percentage of Starred Questions answered on the floor of the House during this session, as I mentioned earlier has just been around 9 per cent which

is not a very encouraging figure. I propose to request Members in future to put pointed supplementaries and also to restrict the number of supplementary questions on each Question. I solicit cooperation of all the Hon'ble Members.

In the end, I would like to pay on behalf of the whole House, our homage to the memory of my esteemed predecessor Shri G.M.C. Balayogi, who died on 3rd March, 2002 in a tragic accident.

Hon. Members may now stand for '*Vande Mataram*'.

19.02 hrs.

NATIONAL SONG

The National Song was played.

MR. SPEAKER : Now the House Stands adjourned sine die.

19.03 hrs.

The Lok Sabha then adjourned sine die.



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