

LOK SABHA DEBATES **(English Version)**

Third Session
(Eleventh Lok Sabha)



(Vol. VI contains Nos. 1 to 10)

LOK SABHA SECRETARIAT
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CORRIGENDA TO LOK SABHA DEBATES

(English Version)

Friday, November 22, 1996/Agrahayana 1.1918 (Saka)

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Col./Line	For	Read
13/2	47	*47
89/5	38.1%	38.1\$
93/10	Andhra Pr	Andhra Pradesh
157/17	Shrimati Bhavna Chikhalia	Shrimati Bhavnaben Devraj Bhai Chakhalia
227/17 (from below)	Mr. Chairman (Shri Chitta Basu)	Mr. Chairman

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LOK SABHA

Friday, November 22, 1996/Agrahayana 1,
1918 (Saka)

(The Lok Sabha met at Eleven of the Clock)

[MR. SPEAKER in the Chair]

[English]

(Interruptions)

MR. SPEAKER : Question No. 41 - Prof. P.J. Kurien.

PROF. P.J. KURIEN (Mavelikara) : Question No. 41.

(Interruptions)

11.01 hrs.

At this stage, Shri Mohan Rawale and some other hon. Members came and stood on the floor near the Table

(Interruptions)

11.04 hrs.

At this stage, Shri B.L. Shankar and some other hon. Members came and stood on the floor near the Table.

(Interruptions)

MR. SPEAKER : Please go back to your seats.

(Interruptions)

MR. SPEAKER : I am not adjourning the House. It is a shame for the nation. You should be ashamed. It is a shameful thing for Parliament. If the Members of Parliament behave like this, it is a shameful thing.

(Interruptions)

MR. SPEAKER : No, You cannot speak. Nothing is going on record.

(Interruptions)*

MR. SPEAKER : The House stands adjourned to meet at 3.30 p.m.

WRITTEN ANSWERS TO QUESTIONS

Declining of Industrial and Export Growth Rates

*41. PROF. P.J. KURIEN :
SHRI MADHAVRAO SCINDIA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the rate of industrial and export growth has shown a decline during April-July, 1996;

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

(c) the steps taken by the Government to bring the growth rate at par with the previous rate;

(d) whether employment in the organised industrial sector has also shown a comparable decline in the current year; and

(e) if so, the remedial measures taken in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). As per Index of Industrial Production the overall industrial production in April-July, 1996-97 has recorded a growth of 9.3%. It is lower than growth rate of 12.3% recorded in the corresponding period of last year. However, the growth rate in the manufacturing sector accounting for a weight of 77.1% in the Index of Industrial Production is 11.7% which is only marginally lower than the growth of 11.9% recorded in the previous year. The declaration in industrial growth is confined to a few sectors particularly, the crude petroleum, fertilizers and power generation etc.

Sector specific strategies have been initiated to remove constraints in underperforming sectors. Adequate credit with softened interest rates assured to industries through the recently announced busy season credit policy are providing further impetus to growth.

The overall export growth in US \$ terms has declined from 29.6% in April-July 1995-96 to 11.8% in April-July 1996-97. The Ministry of Commerce has identified the constraints and already initiated appropriate action.

(d) There is no evidence to suggest that employment in the organised industrial sector has shown any comparable decline in the current year.

(e) Does not arise.

Research on Rubber Plants

*42. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether research made by the Rubber Board has succeeded in developing high yielding rubber plants which can help further increase of productivity;

(b) if so, the details thereof;

(c) whether more funds are planned to be spent on research;

(d) if so, the details thereof and the total amount spent during each of the last three years;

(e) whether the demand to implement flexible complimenting scheme for scientists of Rubber Board and other Commodity Boards has been pending for a long time; and

(f) if so, the action taken to implement the scheme without delay?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Yes, Sir. The clone RR11 105 developed by Rubber Board yields on the average, 300 to 500 kg more per ha/year as compared to any other high yielding clone available. Another clone with a yield potential of 20% more than that of RR11 105 is being developed by RR11. This has already been introduced in some fields as an experimental clone.

(c) and (d). Yes, Sir. RR11 is planning to strengthen the research stations in West Bengal, Orissa, M.P., Maharashtra and Kannur in Kerala, research in Biotechnology and tissue culture during the 9th Five Year Plan. An increased outlay has been proposed for research during this Plan.

Annual expenditure incurred on research during the last three years has been as under :-

1993-94	:	Rs. 606.04 Lakhs
1994-95	:	Rs. 501.79 Lakhs
1995-96	:	Rs. 662.01 Lakhs

(e) and (f). The existing Flexible Complementing Scheme being operated by the Deptt. of Science and Technology for scientists of ICAR/CSIR is under review by the Fifth Central Pay Commission. The proposal for extension of FCS to the scientists of Commodity Boards will be considered only after the report of the Pay Commission is received.

Export Growth

*43. SHRI BHAKTA CHARAN DAS :
SHRI VIJAY GOEL :

Will the Minister of COMMERCE be pleased to state :

(a) whether the performance of export growth in most of the sectors has been satisfactory during the current year;

(b) if so, the details thereof and if not, the reasons therefor and the names of those sectors which showed negative growth rate during the current year in comparison to the last two years;

(c) whether the Government propose to moot diversification of export basket in the wake of decline in export growth rate;

(d) if so, the details thereof; and

(e) the remedial action the Government have taken to revive the Indian exports to its desired level?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). According to aggregate level trade data from DGCI & S India's exports during April-September, 1996-97 stood at US \$ 16.14 billion representing a growth of 9.9% over the level of US \$ 14.68 billion achieved during April-September, 1995-96.

As per the April-August, 1996 data (available for sectoral performance) the sectors which have shown negative growth are Leather and manufactures, Gems and Jewellery, Handicrafts and Carpets. The data in respect of these sectors as is required in part (b) of the question is given in the enclosed statement. Reasons for slow growth in exports/negative growth could be ascribed to factors such as relatively less buoyant international market conditions, infrastructural bottlenecks, high cost of export credit etc.

(c) and (d). Under the Exim Policy framework all items can be freely exported except some specified items borne on the negative list of exports.

(e) Export promotion is a continuous activity; the measures taken for export promotion include simplification of export and import policy and procedures, improving efficiency and competitiveness and de-bottlenecking of export infrastructure, inter action with Exporting Community to identify and address exporters' problems, promoting joint ventures and bilateral trade with other countries.

STATEMENT

Commodities	1994-95	1995-96	US \$ Million (% change)	
			April-August 1995-96	1996-97
Leather manufactures	1610.63 (23.9)	1722.75 (7.0)	722.44	649.61 (-10.1)
Gems & Jewellery	4500.37 (12.6)	5275.44 (17.2)	1974.70	1830.16 (-7.3)
Handicrafts	386.32 (21.3)	431.44 (11.7)	198.61	193.63 (-2.5)
Carpets	559.96 (-1.5)	558.19 (-0.3)	240.97	227.77 (-5.5)

Figures in bracket represents the growth rate.

[Translation]

NTC Mills

*44. PROF. PREM SINGH CHANDUMAJRA :
PROF. RASA SINGH RAWAT :

Will the Minister of TEXTILES be pleased to state :

(a) the total number of NTC mills alongwith the number of workers working therein;

(b) the total capital invested by the Union Government in these mills and the total amount of losses incurred upto March, 1996;

(c) the present status of the revival package which was approved for NTC mills earlier;

(d) whether the Government propose to adopt an interim plan to revive the ailing units of NTC;

(e) if so, the details thereof; and

(f) the amount spent for revival and modernisation of these mills during the last three years and the funds earmarked for the current financial year?

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

(a) The NTC has under its control 120 mills with a total strength of 1,10,661 employees, including 99,709 workers.

(b) As on 31.3.1996, government has invested an amount of Rs.512.10 crores as share capital in NTC. The Government have also given till date an amount of Rs.2560.23 crores as loan for working capital requirements, interim liquidity, wages and salaries, etc.

(c) The Turn Around 'Strategy for modernisation of NTC mills approved by the Government on 9.5.1995 has been placed before the BIFR for its approval. The package is under consideration of the BIFR.

(d) No, Sir. There is presently no interim plan to revive the NTC Mills.

(e) Does not arise.

(f) The rehabilitation package placed before the BIFR envisages an outlay of Rs.2005.72 crores which will be met out of the proceeds from sale of surplus lands and assets. As the package is yet to be approved by the BIFR, Government has not sanctioned any amount for revival and modernisation of NTC mills during the last three years.

[English]

Privatisation of Insurance Sector

45. SHRI JAGAT VIR SINGH DRONA :
SHRI N.K. PREMCHANDRAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are considering a proposal for privatisation of the Insurance sector, particularly the Life Insurance;

(b) if so, the present status of the proposal;

(c) whether some foreign companies have made offers to the Government in this regard; and

(d) if so, the details thereof and the Government's reaction to each of these offers?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). Under the existing Law, both Life and General insurance business are the exclusive privilege respectively of the Life Insurance Corporation of India and the General Insurance Corporation of India, together with its four subsidiaries.

1. The Common Minimum Programme (CMP) of the Government lays down that :

"There is room for public sector companies and private sector companies to co-exist and compete in the financial sector. We have gained considerable experience in the working of the banking sector. The said experience will be applied to the restructuring of the insurance industry, but at the same time, public sector companies like LIC, GIC etc. will be strengthened."

3. During the Budget speech in July, 1996, it was stated that :

"An interim, non-statutory Insurance Regulatory Authority was set up in January 1996. I now propose to introduce a Bill to make it a statutory body and to empower it suitably. When I return to the subject of insurance in the next Budget, I shall address some of the policy parameters outlined in the CMP, including the sequence of steps for the restructuring of the insurance industry".

4. Government is currently processing a Bill for giving statutory basis to the Insurance Regulatory Authority. Other measures for reforms of the insurance sector, are being examined in consultation with the Insurance Regulatory Authority.

Financial Embezzlements in Banks

*46. SHRI MANGAL RAM PREMI :
SHRI K.V. SURENDRA NATH :

Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No.1155 dated July 19, 1996 regarding financial embezzlements in banks and state :

(a) whether the information has since been collected;

(b) if so, the details thereof; and

(c) if not, the reasons for delay and the time by which the information is likely to be placed on the Table of the House?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The information has since been collected. Information relating to bank-wise

position of frauds detected and action taken against delinquent employees in public sector banks during the years 1993, 1994, 1995 and 1996 (upto March, 1996) is given in the enclosed statement I & II.

Withdrawal of deposit accounts through forged instruments, fraudulent encashment of negotiable instruments by opening accounts in fictitious names, misappropriation through manipulation of books of accounts, frauds in clearing transactions, misuse/overstepping of lending/discretionary power and frauds in foreign exchange by providing fake import bills etc. are some of the methods used in perpetrating of the frauds.

The public Sector banks at the instance of Government and RBI have taken several steps from time to time for checking corruption and prevention of frauds. These steps include issue of comprehensive guidelines by RBI for strengthening the control mechanism in banks, review of fraud cases on a continual basis by RBI, advising the banks of Modus-operandi in ingenious cases alongwith required safeguards to prevent their recurrence, proper training of operational personnel and investigations and scrutiny into reported cases of major frauds as well as snap inspections covering systems and procedures and control arrangements in fraud prone areas by the RBI, etc.

STATEMENT-I

Bank-wise number of frauds detected in public sector banks and the amount involved therein during the years 1993, 1994, 1995 and 1996 (upto March).

(Rupees in lakhs)

S No	Name of the Bank	Number of Frauds				Amount involved			
		1993	1994	1995	1996 (upto Mar.)	1993	1994	1995	1996 (upto Mar.)
1	2	3	4	5	6	7	8	9	10
Public Sector Banks									
1.	State Bank of India	597 02*	616	554	101 02*	773.44 25.08	2010.97	789.99	1274.79 54.38
2.	State Bank of Bikaner & Jaipur	36	21	18	03	536.63	11.06	194.45	9.09
3.	State Bank of Hyderabad	28	23	40	01	97.11	63.55	157.59	0.20
4.	State Bank of Indore	20	26	09	02	161.63	1169.39	19.63	0.24
5.	State Bank of Mysore	28	37	38	04	7.51	252.95	22.87	2.79
6.	State Bank of Patila	26	30	33	02	222.61	100.05	610.11	4.42
7.	State Bank of Saurashtra	07	12	09	02	16.17	17.98	106.26	12.90
8.	State Bank of Travancore	20	25	22	08	32.49	70.22	126.21	57.75
9.	Allahabad Bank	33	39	48	14	45.14	2343.58	105.32	121.19
10.	Andhra Bank	66	25	41	07	2130.92	131.00	523.80	4.80
11.	Bank of Baroda	139 12*	159 15*	114 10*	23	568.46 35.54	2905.71 528.63	1151.74 52.85	120.49
						+U.Sh.9844000			
12.	Bank of India	168 16*	215 11*	156 04*	48 01*	725.19 4249.29	728.62 988.51	496.82 8.84	122.30 4.65
13.	Bank of Maharashtra	22	50	31	08	404.65	465.11	1891.65	43.73
14.	Canara Bank	259	217	167	49	801.13	1402.21	1953.01	43.11
15.	Central Bank of India	85	130	73	38	3234.72	347.46	188.64	19.50
16.	Corporation Bank	31	38	23	07	42.24	38.28	86.13	4.16
17.	Dena Bank	20	22	14	06	159.65	1049.62	140.04	18.42
18.	Indian Bank	41	60	37	14	638.24	286.26	83.08	34.23
19.	Indian Overseas Bank	75	71	43	10	143.54	356.97	326.92	5.39
20.	New Bank of India	29	-	-	-	69.72	-	-	-

1	2	3	4	5	6	7	8	9	10
21	Oriental Bank of Commerce	22	14	12	04	102 97	230 88	630 80	1 94
22	Punjab National Bank	88	118	56	27	3224 29	2003 36	212 70	191 05
23	Punjab & Sind Bank	21	17	17	04	654 21	163 26	74 38	14 11
24	Syndicate Bank	139	103	109	22	174 10	1371 80	782 43	22 68
25	Union Bank of India	61	39	59	18	756 54	336 54	251 71	131 53
26	United Bank of India	50	43	40	09	11459 66	171 09	41 21	23 80
27	UCO Bank	35	58	74	08	183 46	416 89	374 17	26 84
		4*				165 27			
28	Vijaya Bank	33	32	39	12	190 83	45 93	147 77	2 19
	Total	2213	2266	1890	454	32032 43	20007 88	11551 12	2372 67
							+U Sh 9844000		

*Outside India, U Sh. = Uganda Shillings

(Data Provisional)

STATEMENT-II

Bank-wise Action Taken Against the Delinquent Employees of Public Sector Banks for Frauds During the Years 1993, 1994, 1995 and 1996 (Upto March)

Name of the Bank	Convicted			Awarded major/minor penalties				Out of (3) dismissed/discharged/ removed				
	1993	1994	1995	*1996	1993	1994	1995	*1996	1993	1994	1995	*1996
State Bank of India	24	28	16	03	164	219	199	48	58	68	49	07
State Bank of Bikaner & Jaipur	-	-	01	-	20	18	33	01	05	03	-	-
State Bank of Hyderabad	15	04	-	-	33	25	18	03	09	04	04	01
State Bank of Indore	-	-	-	-	-	12	01	02	-	01	-	01
Sate Bank of Mysore	-	-	01	01	16	13	10	03	05	04	04	-
State Bank of Patna	-	-	-	/	09	12	06	04	03	06	04	02
State Bank of Saurashtra	-	-	-	-	01	08	09	04	01	02	-	-
State Bank of Travancore	-	-	-	-	06	32	16	02	01	07	04	-
Allahabad Bank	-	-	-	-	29	32	35	02	06	08	03	-
Andhra Bank	02	07	05	-	20	28	27	12	03	05	08	05
Bank of Baroda	-	-	-	-	13	15	23	08	06	02	03	02
Bank of India	-	01	-	-	11	38	37	06	07	18	21	05
Bank of Mahaashtra	-	-	-	-	13	13	30	01	08	07	12	-
Canara Bank	05	-	-	-	88	85	96	26	26	27	30	08
Central Bank of India	-	01	-	-	67	81	58	27	42	44	23	09
Corporation Bank	05	-	03	-	05	04	17	05	04	04	06	03
Dena Bank	-	-	-	-	27	30	27	09	07	07	05	03
Indian Bank	01	-	-	01	64	121	71	28	08	08	04	-
Indian Overseas Bank	03	02	02	-	47	73	82	09	13	23	13	05
Oriental Bank of Commerce	-	-	-	-	01	08	04	-	03	04	02	-
Punjab National Bank	01	03	01	-	91	221	169	64	22	54	29	10
Punjab & Sind Bank	-	-	03	-	10	37	26	09	05	09	05	04
Syndicate Bank	-	-	01	-	55	29	50	20	42	19	36	10
Union Bank of India	-	-	-	-	26	36	36	28	02	11	10	-
United Bank of India	-	-	-	-	-	16	32	02	-	02	10	-
UCO Bank	01	02	-	-	30	28	39	08	11	11	12	03
Vijaya Bank	-	02	-	-	28	14	17	02	03	02	04	-
Total	57	50	33	05	874	1248	1160	307	312	360	301	78

*Upto March, 1996 (Data Provisional)

Production of Silk

47. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of TEXTILES be pleased to state :

(a) the details of the scheme formulated by the Government to boost the production of all the four types of silk;

(b) whether the production of eri, muga and tasar silk has been declined; and

(c) if so, the steps taken by the Government to increase the production of silk of all types particularly in non traditional States like Bihar, Madhya Pradesh and Orissa?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) :
(a) In order to supplement the efforts of the State Sericulture Departments, the Central Silk Board (CSB) is implementing a number of schemes/projects/programmes for promoting development of all the four types of silk. These include schemes for extension of R&D, training, infrastructural & extension support to the sector through network of CSB's units & implementation of certain developmental/incentive/financial assistance schemes for encouraging adoption of modern sericultural practices for production of quality silk. Besides, the Central Silk Board has also taken up sericulture projects like World Bank assisted National Sericulture Project (covering 17 States), Action Plan for seven States of North Eastern region etc. in association/collaboration with the States

(b) while the production of eri and muga silk has been steady, there has been a decline in the production of tasar.

(c) In order to check decline in production of tasar and to promote development of other non-mulberry varieties like eri and muga, the CSB has initiated an International Non-mulberry R&D Programme for taking up collaborative research projects on non-mulberry by inviting scientists from abroad. Besides organising supply of basic seed, CSB has also taken up schemes for augmentation of tasar, muga & eri food plants.

Bihar, Madhya Pradesh & Orissa are among the 12 non-traditional mulberry States covered under the World Bank/Swiss assisted National Sericulture Project for Implementation of pilot sericulture projects in select districts of these States. These States were also covered under the Inter-State Tasar Project earlier implemented by the CSB. Besides assistance has been provided for implementation of a project for development of tasar cocoons in Madhya Pradesh and for Intensive Sericulture Development Project in Orissa. In addition, these States can avail of assistance under the on-going approved schemes of the CSB.

Divestment of Unlisted Shares by Foreign Investors

*48. SHRI S. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has revised the valuation rules for divestment of unlisted or thinly-traded shares by foreign investors;

(b) if so, the reasons therefor; and

(c) the benefits NRIs are likely to get on account of revised valuation rules?

THE MINISTER OF FINANCE (P. CHIDAMBARAM) :
(a) and (b) Yes, Sir. On the basis of the recommendations made by an informal expert group set up by Reserve Bank of India (RBI) consisting of representatives from Securities & Exchange Board of India, All India Financial Institutions, Professional accountants etc., RBI have announced revised valuation guidelines on 18th September 1996 for disinvestment of unlisted/thinly traded shares by foreign investors.

(c) Besides being more rational and in line with the current capital market trends, the revised guidelines introduce transparency and clarity in the valuation methodology thereby improving the investment environment for Non-resident Indian and other foreign investors.

Fifth Pay Commission

*49. SHRI BIR SINGH MAHATO :

SHRI SHANTILAL PARSOTAMDAS PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether there has been inordinate delay in submitting the report by the Fifth Pay Commission;

(b) if so, the reasons therefor;

(c) whether Government employees have started agitation for earlier finalisation of the report;

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

(e) the time by which the Commission is expected to submit its report

(f) the date from which the report is likely to become effective;

(g) whether in view of the inordinate delay in submitting the report, the Pay Commission proposes to submit another interim report regarding pay structures of the employees to the Government;

(h) if so, the details thereof; and

(i) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (i). The Fifth Pay Commission was constituted in April 1994. Given the time taken by

the earlier Commissions, there has been no inordinate delay in submission of the Report by the Fifth Pay Commission. Besides, the benefit of three rounds of Interim Relief have already been given to the Government employees. Government have recently asked the Commission to give their recommendations in regard to the methodology for fixation of productivity Linked Bonus. Since three rounds of Interim Relief have already been given and the Report of the Commission is expected in near future, it is not necessary to request the Commission for another Interim Report.

[Translation]

Review of P.M.R.Y.

*50. SHRI SHIVRAJ SINGH : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Union Government have reviewed the self employment programme for educated unemployed youth (P.M.R.Y.) during the last two years and till October, 1996;

(b) if so, the outcome thereof;

(c) the State-wise number of applications received from unemployed youths for loan, the number of cases in which loans have been sanctioned and the number of cases in which the payment has actually been made under this scheme during the said period.

(d) whether any such cases are pending for the sanction of loan so far.

(e) if so, the reasons for the delay therein.

(f) whether banks have received any complaints in this regard; and

(g) if so, the action taken thereon so far?

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

(b) The latest review was conducted in August, 1996. The progress was monitored and steps taken to speed up sanctions and disbursements, to reiterate instructions to banks not to seek collateral, to speed up the training of beneficiaries etc.

(c) The Statement I, II and III giving state-wise, the number of applications received from unemployed youth for loan, the number recommended by District Industries Centres/Directorate of Industries to Banks, the number of cases sanctioned and disbursed for the years 1994-95, 1995-96 and 1996-97 upto September, 1996 are enclosed.

(d) Applications received are screened by the District Industries Centres/Directorate of Industries, and are thereafter recommended to banks. Of the applications received in 1996-97, 2,97,538 cases have been recommended to banks. The banks have sanctioned 46,583 applications by the end of September, 1996 as reported by States/UTs.

(e) RBI guidelines stipulate that for loans upto Rs.25,000 the banks are to dispose off the applications within a fortnight and for other loans under PMRY within 8 to 9 weeks. However, during a survey conducted in January, 1996 the major reasons for pendency identified were, non-compliance of banking formalities by the applicants, excessive sponsoring of applications to banks by District Industries Centres and delay in bank scrutiny.

(f) and (g). Complaints received by Government from time to time are taken up with appropriate authorities for resolution.

STATEMENT-I

The Statewise Summary of progress under PMRY (1994-95)

S.No.	State/UT	Target (No.)	No. of Applications			
			Received	Recommended	Sanctioned	Disbursed
1	2	3	4	5	6	7
1.	Andhra Pradesh	25000	111317	37874	19851	14769
2.	Assam	6600	29384	8778	6404	1253
3.	Bihar	22150	71143	33818	11705	8459
4.	Delhi	4540	27237	9643	1763	301
5.	Goa	520	622	488	285	223
6.	Gujarat	8500	20848	12835	5707	4301
7.	Haryana	4100	14345	8802	4600	3774
8.	Himachal Pradesh	2100	7000	4726	2306	1717
9.	Jammu & Kashmir	2000	8988	4777	1995	1184
10.	Karnataka	15000	67564	30993	13759	11133
11.	Kerala	15000	76236	30194	11123	7238

1	2	3	4	5	6	7
12.	Madhya Pradesh	20000	58943	45124	21840	14894
13.	Maharashtra	20500	53578	51955	26551	22450
14.	Manipur	2000	6118	2253	2026	2025
15.	Mizoram	250	1899	305	226	214
16.	Orissa	6570	17563	12882	5551	4153
17.	Punjab	4900	16145	11504	5357	3010
18.	Rajasthan	8300	49577	16760	7666	5001
19.	Tamil Nadu	17400	54138	33865	14519	11206
20.	Tripura	1000	2533	1264	796	567
21.	Uttar Pradesh	27400	84504	56069	23060	18549
22.	West Bengal	22900	51048	35376	9441	3782
23.	Andaman & Nicobar	250	479	247	54	50
24.	Arunachal Pradesh	250	799	311	183	132
25.	Chandigarh	150	858	400	165	118
26.	D & N Haveli	250	NR	231	112	164
27.	Daman & Diu	250	319	204	79	52
28.	Nagaland	250	NR	250	216	216
29.	Lakshadweep	75	66	56	19	15
30.	Meghalaya	300	1336	428	314	286
31.	Pondicherry	460	1811	904	476	233
32.	Sikkim	250	246	182	75	52
Total			836644	453498	198224	141521

STATEMENT-II

The Satewise summary of Progress Under PMRY (1995-96)

S No.	State/UT	Target (No)	No. of Applications			Disbursed
			Received	Recommended	Sanctioned	
1	2	3	4	5	6	7
1.	Andhra Pradesh	31900	112229	47482	32556	21918
2.	Assam	9900	38602	12576	9852	3566
3.	Bihar	22150	59158	42160	17744	9219
4.	Delhi	4550	32590	12779	4143	1373
5.	Goa	550	851	685	499	319
6.	Gujarat	8500	29135	18796	10190	8215
7.	Haryana	7200	23551	16880	9353	5265
8.	Himachal Pradesh	2100	6379	4999	2578	2315
9.	Jammu & Kashmir	3100	8283	5588	2566	630
10.	Karnataka	17700	70966	34294	17000	12738
11.	Kerala	15000	64337	32170	14135	9503
12.	Madhya Pradesh	27050	84782	69588	31566	11302
13.	Maharashtra	35900	74916	74075	40392	25485
14.	Manipur	4000	14048	1889	1753	825
15.	Mizoram	250	2163	452	240	72

1	2	3	4	5	6	7
16.	Orissa	8250	42057	21635	8267	5146
17.	Punjab	15000	35356	31784	15531	7490
18.	Rajasthan	10400	38214	20247	10273	5616
19.	Tamil Nadu	21800	53106	40612	19339	11699
20.	Tripura	1300	3261	1893	1238	751
21.	Uttar Pradesh	35813	130820	84647	37324	30228
22.	West Bengal	22900	30547	34454	10184	3492
23.	Andaman & Nicobar	100	161	179	101	74
24.	Arunachal Pradesh	300	756	331	287	125
25.	Chandigarh	150	618	303	174	146
26.	D & N Haveli	150	232	208	156	150
27.	Daman & Diu	100	198	150	116	116
28.	Nagaland	300	1446	343	267	189
29.	Lakshadweep	50	62	55	26	NR
30.	Meghalaya	550	1675	630	566	102
31.	Pondicherry	500	1630	560	513	99
32.	Sikkim	200	323	258	169	92
Total			962452	612702	299118	178260

Note : In case of some states applications have been recommended/sanctioned out of pending cases of 1994-95.

STATEMENT-III

*The Summary of Progress Under PMRY (1996-97)
(Up to September, 1996)*

S.No.	State/UT	Target (No.)	No. of Applications			Disbursed
			Received	Recommended	Sanctioned	
1	2	3	4	5	6	7
1.	Andhra Pradesh	31900	75741	21357	5867	200
2.	Assam	15000	53762	4286	644	246
3.	Bihar	22150	6043	2540	39	NR
4.	Delhi	4550	1169	344	330	183
5.	Goa	550	354	333	148	62
6.	Gujarat	8500	13755	9047	3338	
7.	Haryana	7200	12214	7021	2030	316
8.	Himachal Pradesh	2100	3546	2928	775	592
9.	Jammu & Kashmir	3500	2002	1103	119	NR
10.	Karnataka	17700	52232	27097	3894	30
11.	Kerala	15000	51516	21324	3075	1184
12.	Madhya Pradesh	27050	50799	32593	1632	99
13.	Maharashtra	35900	36209	35866	7670	2650
14.	Manipur	3000	NIL	2176	216	-
15.	Mizoram	375	638	58	-	-
16.	Orissa	8250	46290	5978	42	3
17.	Punjab	8600	13415	11735	1626	177

1	2	3	4	5	6	7
18.	Rajasthan	10400	22273	16785	2173	42
19.	Tamil Nadu	21800	22921	16437	3653	382
20.	Tripura	1950	2932	1443	166	4
21.	Uttar Pradesh	35813	75658	54637	7640	2072
22.	West Bengal	22900	22445	21302	1240	101
23.	Andaman & Nicobar	100	83	41	23	15
24.	Arunachal Pradesh	450	729	274	-	-
25.	Chandigarh	150				
26.	D & N Haveli	150	88	41	10	-
27.	Daman & Diu	100	122	100	38	19
28.	Nagaland	450				-
29.	Lakshadweep	50				-
30.	Meghalaya	825				-
31.	Pondicherry	500	414	502	117	NIL
32.	Sikkim	200	213	190	78	65
Total			567563	297538	46583	8442

Note : In case of some states applications have been recommended/sanctioned out of pending cases of 1995-96

Pending Court Cases

*51. SHRI KACHARU BHAU RAUT :
SHRI NARAYAN ATHAWALAY :

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

(a) the number of cases pending in High Courts and Supreme Court in the country, Court-wise;

(b) the number of cases disposed of in different High Courts and in the Supreme Court during each of the last three years, court-wise;

(c) whether any steps are being taken to dispose of the pending cases expeditiously;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D.KHALAP) : (a) and (b). The information available is given in the enclosed statements I & II.

(c) to (e). The Law Commission and various Committees have gone into the question of pendency of cases in Courts. The Arrears Committee, also known as Malimath Committee, submitted its report in this regard in 1990. Based on its recommendations, a Conference of the Chief Ministers and Chief Justices of the High Courts was held under Chairmanship of the Prime Minister in December, 1993 to consider the problems of arrears in Courts. The Resolutions adopted by the Conference were commended to all the State Governments/High Courts/UT Administrations for

necessary action. Progress of implementation in this regard is being reviewed from year to year in the conference of Law Ministers, the last of such reviews was held in Hyderabad during November, 1995. In addition, a Centrally Sponsored Scheme has been introduced for providing infrastructural facilities for the Judiciary. This will go a long way in supplementing the resources of the States/UTs in providing the basic infrastructural facilities. Further, it has been decided to create 50 new posts of Permanent/Additional Judges in the various High Courts for the early disposal of pending cases

STATEMENT-I

Cases Pending in the Supreme Court of India As on 1.7.96

Admission matters	9,932
Regular matters	18,639
Total	28,571

Cases Pending in the High Courts in India

S.No.	Name of the High Court	No. of cases pending as on 30.6.96
1	2	3
1.	Allahabad	788,448*
2.	Andhra Pradesh	150,293
3.	Bombay	226,948
4.	Calcutta	256,858

1	2	3
5.	Delhi	145,206**
6.	Gauhati	32,673
7.	Gujarat	111,636
8.	Himachal Pradesh	21,179
9.	J & K	96,202
10.	Karnataka	163,984
11.	Kerala	206,661
12.	Madhya Pradesh	73,495
13.	Madras	301,818
14.	Orissa	56,462
15.	Patna	90,715
16.	Punjab & Haryana	160,076
17.	Rajasthan	97,628
18.	Sikkim	82
Total :-		2,980,364

Pendency as on :-

* 30.6.95

** 31.3.96

STATEMENT-II

No. of Cases disposed of in the Supreme Court

Years	Admission Matters	Regular Matters
1993	17,166	3,718
1994	35,853	12,037
1995	49,058	16,084

(As on 1.12.95)

No. of cases disposed on in the High Courts during the years ending 1993, 1994 and 1995

S.No.	Name of the High Court	1993	1994	1995
1	2	3	4	5
1.	Allahabad	75705	92745	47676 *
2.	Andhra Pradesh	80056	90255	108100
3.	Bombay	96722	88000	79054

1	2	3	4	5
4.	Calcutta	45426	44870	N.A.
5.	Delhi	66979	45850	22848*
6.	Gauhati	12074	12665	16615
7.	Gujarat	36860	40815	14178*
8.	Himachal Pradesh	30431	19826	14197
9.	J & K	16726	12542	18507
10.	Karnataka	42502	51335	62659
11.	Kerala	59852	58839	62973
12.	Madhya Pradesh	52705	67693	N.A.
13.	Madras	100991	86702	159295
14.	Orissa	35189	26222	29375
15.	Patna	51213	58395	70892
16.	Punjab & Haryana	64083	76609	92313
17.	Rajasthan	43562	44198	45833
18.	Sikkim	145	127	145
Total		911,221	917,688	844,660

* Information for the period ending 30.6.95

[English]

Janata Cloth

*52. SHRIMATI SHEELA GAUTAM :

SHRI RAVINDRA KUMAR PANDEY :

Will the Minister of TEXTILES be pleased to state :

(a) whether there is any increase in the demand of coarse/Janata Cloth in the country;

(b) if so, the percentage gap between demand and supply thereof during the last three years, State-wise; and

(c) the quantum of such cloth produced during each of the last three years, State-wise?

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

(a) to (c). There is no assessment of demand of janta cloth available but there has been continuous reduction in the production and supply of janata cloth in the last three years. Actual production and deliveries of Janata cloth statewide for the last three years is given in the enclosed statement.

STATEMENT

		In Million					
S.No.	State	1993-94		1994-95		1995-96	
		Actual Production	Deliveries	Actual Production	Deliveries	Actual Production	Sq. Metrs. Deliveries
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	37.16	32.07	23.46	30.81	6.92	10.11
2.	Assam	25.90	26.87	25.62	25.09	21.33	20.93

1	2	3	4	5	6	7	8
3.	Bihar	7.74	7.02	4.31	3.68	3.58	3.43
4.	Gujarat	3.92	3.98	1.86	1.08	0.42	0.43
5.	Jammu & Kashmir	0.40	0.11	0.52	0.45	0.40	0.40
6.	Karnataka	22.86	23.67	16.72	18.57	23.04	20.26
7.	Madhya Pradesh	14.83	12.83	8.79	10.57	6.30	6.00
8.	Maharashtra	20.24	21.24	16.97	17.89	16.39	16.69
9.	Orissa	10.09	11.25	8.13	9.09	12.24	13.20
10.	Punjab	1.80	1.76	0.50	0.43	0.74	1.01
11.	Rajasthan	5.35	5.21	3.56	4.90	2.02	2.48
12.	Tamil Nadu	39.89	38.88	30.52	31.67	29.40	27.84
13.	Tripura	1.18	1.79	0.57	0.73	1.61	1.22
14.	Uttar Pradesh	42.65	43.45	18.74	15.22	12.92	14.39
15.	West Bengal	16.28	16.34	8.74	10.63	7.75	8.78
		250.29	246.47	169.01	180.81	145.06	147.17

IBRD Loans

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

(a) the amount received by India from International Bank for Reconstruction and Development (IBRD) during the fiscal year 1996 and the amount of loans and interest refunded during the same period;

(b) the details of undisbursed amount during the same period together with the names of sectors that were intended to;

(c) whether the World Bank in its Report during June 1996 suggested the Union Government to speed up the economic reforms, and

(d) if so, the reaction of the Government thereon?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The amount received by India from International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA) during the bank fiscal year 1996 was US \$ 567.2 million and US \$ 742.2 million respectively. The amount of loan repaid was US \$ 741.3 million and US \$ 228.8 million respectively. The interest and other charges paid was US \$ 757.6 million and US \$ 128.6 million respectively during the same period.

(b) The amount of undisbursed loan (Sector-wise) as on 30.6.96 is as under :-

S.No.	Name of Sector (Govt. Accounts)	Amount in US \$ m.	
		IBRD	IDA
1.	Agriculture and Rural Dev.	104.152	663.514
2.	Environment and Forestry	-	385.350
3.	Energy, coal	-	9.925
4.	Energy, Power	1263.145	-
5.	Energy, Non-Conventional	-	118.462
6.	Industry and Finance	349.495	141.446
7.	Infrastructure, Road	183.102	125.371
8.	Water Resources Management	85.296	1419.210
9.	Social Sector	-	1699.969
10.	Urban Development Sector (NON-GOVT. ACCOUNT)	436.006	307.411
11.	Energy - Power	641.640	-
12.	Energy-Oil	21.494	-
13.	Industry and Finance	563.550	-
14.	Infrastructure - Railways	82.787	-

(c) and (d). World Bank, in its Country Economic Memorandum on India published in August 1996, while appreciating the Economic Reforms undertaken during the last five years, have suggested to speed up the economic reforms to meet the challenges ahead. Government's approach to economic reforms is contained in the Common Minimum Programme of the United Front. The Common Minimum Programme identifies the key challenges ahead i.e. reducing the country's chronically high fiscal deficits, further liberalizing the economy, agriculture in particular, meeting the infrastructure challenge and ensuring social justice. Some of the measures undertaken by the Government during the past year, have been mentioned in the Economic Survey and Central Government Budget 1996-97.

Pay structure in R.R.Bs

54. SHRI BASU DEB ACHARIA :
SHRI T. GOVINDAN :

Will the Minister of FINANCE be pleased to state :

(a) the main points of the Award of the National Industrial Tribunal relating to pay structure of Regional Rural Banks;

(b) whether it has since been accepted by the Government and implemented;

(c) if so, the details thereof and the quantum of additional financial expenditure likely to be incurred as a result thereof; and

(d) if not, the reasons for not implementing an award which was a time-bound and subjected to viability of the Regional Rural Banks?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The pay and allowances of the employees of the Regional Rural Banks (RRBs) are to be determined by Government under Section 17(1) of the Regional Rural Banks Act, 1976. In pursuance of an order of the Hon'ble Supreme Court, the Government appointed a National Industrial Tribunal (NIT) in 1987. The Tribunal was required to decide the dispute relating to pay, salary, other allowances and other benefits payable to the employees of the RRBs in terms of the pleadings of the parties in Writ Petition (Civil) Nos. 7149-50 of 1982 and No. 132 of 1984 filed in the Supreme Court of India.

Pursuant to the award of the Tribunal, Government have issued an order on 22.2.1991 determining the salary and allowances of the employees of the RRBs and made them effective from 1.9.1987.

After the implementation of the Sixth Bipartite settlement for the Commercial Banks, the employees of RRBs had taken a stand that the settlement should be extended to them also. The matter was taken to the Supreme Court by some employees. Government had

taken a stand that the award of National Industrial Tribunal could not be an authority for continued parity between the employees of RRBs and those of sponsor banks. The Supreme Court has not granted the relief prayed for instead observed that the employees may seek relief available to them under the Industrial Disputes Act.

In order to have a package that will reconcile the interests of the employees, the clients and the banks, the Reserve Bank of India has now appointed a Committee to make recommendations to Government on the exercise of its powers under Section 17(1) of the Act.

Inflation Rate

55. SHRI K.H. MUNIYAPPA :
DR. KRUPASINDHU BHOI :

Will the Minister of FINANCE be pleased to state :

(a) whether the prices of all the consumer commodities and the rate of inflation have been steadily increasing during the recent months;

(b) if so, the weekly rate of consumer price indices and the rate of inflation during the last four months; and

(c) the steps taken/proposed to be taken by the Government to check the price rise and to contain the inflation rate?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Consumer Price Index for Industrial workers (CPI-IW) commonly used to measure the movement in prices of consumer commodities registered a rise of 7.8 per cent between April and September, 1996. The annual inflation rate (September 1996 over September 1995) was 8.5 per cent compared to 10.1 per cent last year.

(b) The Consumer Price Index is compiled only on monthly basis. The movement in the index for the last four months together with the annual inflation rate is listed below :

1996	Monthly Change in Index (%)	Cumulative increase (%) over March	Annual Inflation (%)
April	1.6	1.6	9.8
May	1.2	2.8	9.3
June	1.5	4.4	8.8
July	1.8	6.3	8.3
August	1.2	7.5	8.9
September	0.3	7.8	8.5

(c) The important steps taken by the Government to check the price rise and to contain inflation are :

(1) Continuation of open market sale by FCI of rice and wheat.

- (2) Continu OGL import policy for selected essential commodities such as sugar, edible oils, pulses and low fat milk powder at nil or reduced duty.
- (3) Import of edible oils on Government account for supply through PDS.
- (4) Strive to contain fiscal deficit in the Budget for 1996-97 to 5 per cent of GDP.
- (5) Containing monetary growth to 15.5 - 16.0 per cent in 1996-97 through prudent monetary policies.
- (6) Maintaining a liberal import policy, combined with reduction in import duties for most commodities.

Establishment of CSF

*56. SHRI RAM NAIK : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India recommended the establishment of a Consolidated Sinking Fund (CSF) to separate fresh Government Borrowings from repayments;

(b) if so, the reasons therefor; and

(c) the action taken/proposed to be taken thereon.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). As a follow up on a recommendation made by the Tenth Finance Commission, the Government has been examining the matter regarding feasibility of setting up of Sinking Funds for redemption of Public Debt in consultation with the RBI. No. final decision has been taken in this regard.

Indo Russian Trade Relation

*57. SHRI PANKAJ CHOUDHARY :
SHRI MAHESH KUMAR M. KANODIA :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have taken any step to promote Indo-Russian Trade relation;

(b) if so, the details thereof alongwith the agreement signed, if any, by both the Governments in the matter;

(c) the areas in which trade were under operation in the past; and

(d) the new areas identified now for expansion of trade between both the countries?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Both the Governments are interacting on regular basis towards enhancing bilateral trade and economic cooperation. Following the signing of the Trade and Economic Cooperation Agreement in 1992 and creation

of the bilateral Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation, a series of Agreements between the two countries have been signed and a number of institutional mechanisms have been set up to promote trade and economic cooperation. The Agreements signed include Arrangement between Bank for Foreign Economic Affairs (BFEA) and the Reserve Bank of India (RBI) governing exports under the debt repayment route. Besides, the two sides have entered into the understanding on Long Term Purchases of certain commodities by the Russian Agencies from the debt repayment fund and bilateral Investment Protection. In order to further encourage Indo-Russian Trade, Government is trying to set up Indian Warehouses for promoting consignment exports under the debt repayment route and ensuring greater presence of Indian banks in Russia. Similarly, Russian side is also being impressed upon to extend adequate rupee allocation to the reliable Russian importers so that Indian goods can be absorbed in greater measure in Russian markets. For encouraging quality pharmaceutical exports from India to Russia, an Indo-Russian Working Group on Pharmaceuticals has been set up.

(c) and (d). Before break up of the erstwhile USSR imports and exports with former USSR were conducted under a balanced annual Rupee Trade Plan. After the break up, Indo-Russian trade is moving largely through the debt repayment track as well as in a small measure under hard currency.

India and Russia share traditional partnership in trade exchanges and economic cooperation covering a number of areas. The volume of trade which had declined during 1992 and 1993 following the break up of USSR, has reached a volume of over USD 2 billion in 1995. With diversification of economic cooperation, the volume of bilateral trade is likely to grow further. The major items of our export basket include tea, coffee, soyameal, pharmaceuticals, textiles, chemicals, chashewnuts, fruit juices etc. and import basket from Russia mainly include fertilisers, newsprint, ferrous and non-ferrous metals.

Irregularities in grant of Bank Loans

*58. SHRI VIJAY PATEL :
SHRI ANNASAHIB M.K. PATIL :

Will the Minister of FINANCE be pleased to state :

(a) the details of cases of irregularities in giving bank loans under Prime Minister's Rozgar Yojana (PMRY) came to the notice of the Government during 1995 and 1996 so far;

(b) the action taken or proposed to be taken against the guilty; and

(c) the measure proposed to be taken to check recurrence of such cases?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The Reserve Bank of India (RBI) have reported that they have received some complaints pointing out irregularities observed while sanctioning loans under Prime Minister's Rozgar Yojana (PMRY) by public sector banks during the year 1995 and 1996. These irregularities mainly related to banks demanding collateral security/third party guarantee soliciting fixed deposit, non-co-operation of the banks's staff, undue delay in sanction of loans and asking for illegal gratification. These complaints are looked into in consultation with the concerned banks and suitable corrective action is taken wherever necessary.

Instructions have been issued to banks to ensure that the applications under PMRY should be disposed of expeditiously, that banks should not ask for collateral security/third party guarantee and that banks alongwith District Industries Centres (DICs) should extend help to borrowers in completing the pre-sanction/pre-disbursement formalities. The progress of implementation under PMRY is reviewed in the meetings of the State Level Bankers' Committee (SLBC) and District Consultative Committees (DCC) at the State and District level in each State. A monitoring cell has also been constituted in RBI under the control of Deputy Governor. PMRY is also monitored at Central Level by the High Powered Committee under the Chairmanship of Secretary, (Small Scale Industries and Agro and Rural Industries) in the Ministry of Industry.

Export Related Frauds

*59. SHRI SONTOSH MOHAN DEV :
DR. T. SUBBARAMI REDDY :

Will the Minister of COMMERCE be pleased to state :

(a) whether the number of incidents of export related frauds have increased during the last three years;

(b) if so, the reasons therefor;

(c) the steps taken or proposed to be taken by the Government to check the increasing incidents of such frauds; and

(d) the action taken or proposed to be taken against those persons who have been provided to be guilty of the said offence?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d). The Export related frauds are of many types, which include, non repatriation of foreign exchange, over-invoicing, manipulation of documents to show higher quantity of exports, purchase of export goods from non-existent companies/supporting manufacturers, misdeclaration of description of goods, enhancement of weight of exports, bogus exports, etc. Action against export related frauds is taken by various agencies depending upon the nature of offence committed. These

are actionable under different Acts and other laws of the country, like Imports and Exports (Control) Act, 1947, since substituted by Foreign Trade (Development and Regulation) Act, 1992 by the Ministry of Commerce/DGFT, Foreign Exchange Regulation Act, 1973, by the Directorate of Enforcement, COFEPOSA, Income Tax Act, the Customs Act, 1962 by the Ministry of Finance, IPC/Cr. PC by the CBI, Narcotic Drugs and Psychotropic Substances Act, by the Narcotics Control Bureau, besides administration of Acts prohibiting the export of certain specified goods from the country. It may not, therefore, be possible to state whether incidence of export related frauds has generally increased during the last three years, or not. In so far as the Ministry of Commerce is concerned, cases of export related infringements connected with the Value Based Advance Licensing Scheme (VBAL) have come to notice, which was mainly done by means of over-invoicing of exports with an intent to claim excess entitlement of duty free imports required for such export goods.

A number of steps have been taken to prevent the misuse of VBAL during the last 3 years. These include (i) finetuning of the operation of the VBAL scheme based on standard input-output norms only, (ii) mandatory imposition of export obligation both in quantity and value terms in VBAL, (iii) increasing the number of import items in the Sensitive List which are subject to quantity, and value restrictions under value based licences, (iv) making the scheme inapplicable to certain sectors, like silk, (v) stopping operations of specified categories of VBAL (vi) issue of comprehensive instructions on 6.3.1995 for checking overvaluation of exports under VBAL, and (vii) to overcome the problem of non-reversal of MODVAT prior to export under the Scheme, exporters are required to pay Additional Customs duty at the time of import with effect from 1.4.1995, subject to adjustment at a later stage. It has also been decided that the DGFT and the Customs authorities shall carry out joint exercises for identifying past cases of gross over-invoicing/misdeclaration of the value of exports under VBAL, where either scaling down of import entitlements or penal action may be warranted.

Action for imposing of fiscal penalty under the provisions of the Foreign Trade (Development and Regulation) Act, 1992 and the Rules thereunder has been initiated or taken in 65 VBAL cases by the DGFT Hqs. office. The Customs authorities have completed adjudications in 361 cases where Rs. 101 crores of Customs Duty, which was attempted to be evaded, has been realised. Besides, an amount of Rs. 32.88 crores of excess duty draw-back claimed by the exporters has been denied. Fines amounting to Rs. 8.69 crores have been imposed. 59 persons, including exporters, clearing agents, and persons concerned with exporting firms, were arrested, out of which 14 persons were detained under COFEPOSA. Two Customs officers were also arrested under the Customs Act, 1962 besides placing six other officers under suspension.

New Credit Policy

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

(a) whether the Reserve Bank of India (RBI) has announced a new credit policy recently;

(b) if so, the salient features thereof;

(c) the date of its declaration and by when the new credit policy is likely to be made effective; and

(d) the steps being taken to ensure the interest rates on loans for anti-poverty and self employment programmes are at minimum rates?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The monetary and credit policy for the second half of 1996-97 was announced by the Reserve Bank of India (RBI) on October 19, 1996. The salient features of the policy are as follows :

- (i) Lowering of the Cash Reserve by 2 percentage points between October 1996 and January, 1997 in 4 equal phases of 0.5 percentage point each with effect from the fortnights beginning October 26, 1996, November 9, 1996, January 4, 1997 and January 18, 1997 respectively.
- (ii) Lowering of the export credit refinance limits of banks from the fortnight beginning November 9, 1996.
- (iii) Raising the target for export credit by 2 percentage points to 12 per cent of net bank credit to be achieved by the end of March, 1997.
- (iv) Lowering the ceiling interest rate on term deposits of 30 days and upto one year by one percentage point to 'not exceeding 10.0 percent per annum' effective October 21, 1996.
- (v) Rationalisation of the interest rate prescriptions on post-shipment export credit effective October 21, 1996, whereby a larger part of export credit would be required to be provided at lower interest rate.
- (vi) Banks are required to announce the maximum spread over Prime Lending Rate (PLR) that they would charge borrowers in the category (with credit limits of over Rs. 2 lakh) to whom PLR stipulations apply. (PLR is the minimum rate applicable to large borrowers with credit limits over Rs. 2 lakh).
- (vii) Exemption from selective credit controls for commodities which were subject to the controls, except, buffer stock and unreleased

stocks of sugar to sugar mills, with effect from October 21, 1996 has been made. The minimum margins on unreleased stocks of sugar was lowered by 5 per cent effective October 21, 1996. In the case of buffer stock of sugar the prescription of a zero per cent margin would continue.

- (viii) Banks have been permitted to provide foreign currency denominated loans to their customers out of their resources under the Foreign Currency Non-Resident (Banks) (FCNR (B) deposit scheme.
- (ix) Freeing banks to lay down their own ground rules for consortium lending arrangements.
- (x) Extending the coverage of the loan system for delivery of credit and modifying the Scheme to impart more flexibility.
- (xi) Allowing banks to purchase shares and debentures in the secondary market within the existing ceiling of 5 per cent of the incremental deposits in the previous year for purchases including from the primary market and through devolvement through underwriting and investments in mutual funds.

(d) The lending rate prescriptions to Scheduled Commercial Banks provide for lower interest rates for small loans of upto Rs. 2 lakh. Loans of upto Rs. 25,000/- are required to be charged interest at 12.0 per cent and loans of over Rs. 25,000/- and upto Rs. 2 lakh at 13.5 per cent.

Lending to Priority Sector

387. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether any reduction has been recorded in priority sector lending by nationalised banks; and

(b) if so, the detailed comparative figures of priority sector lending by each of the Nationalised Banks during 1993-94, 1994-95 and 1995-96 and the target envisaged for such lending during 1996-97?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The outstanding position of priority sector lending of each of the nationalised banks as on the last Friday of March 1994, March 1995 and March 1996 is given in the enclosed Statement. Reserve Bank of India (RBI) has stipulated a lending target of 40.0 per cent of net bank credit to priority sector. Against this target, the achievements of the nationalised banks for lending to priority sector are 38.82 per cent, 37.37 per cent and 39.14 per cent of the net bank credit as on the last Friday of March 1994, March 1995 and March 1996 respectively.

STATEMENT

Priority sector lending of Nationalised Banks as on the last Friday of March 1994, March 1995 and March 1996. (Rs. crore)

Bank	March 1994	March 1995	March 1996
Allahabad Bank	1615.50	1574.80	1596.00
Andhra Bank	787.47	856.53	961.32
Bank of Baroda	4029.42	4860.80	5257.54
Bank of India	2952.00	3433.76	3987.62
Bank of Maharashtra	891.00	1082.78	1244.53
Canara Bank	3289.54	4005.23	4802.96
Central Bank	2730.66	3067.74	3470.60
Corporation Bank	542.00	695.00	862.00
Dena Bank	912.20	1171.62	1389.25
Indian Bank	2239.00	2530.00	2795.00
Indian Overseas Bank	1466.30	1805.58	2191.99
Oriental Bank of Commerce	1125.32	1445.00	1821.56
Punjab National Bank	4301.00	4571.30	4869.00
Punjab and Sind Bank	835.01	1056.18	1266.10
Syndicate Bank	1385.00	1579.00	1745.00
Union Bank	2063.54	2682.89	3157.86
United Bank of India	1305.00	1456.00	1524.00
UCO Bank	1380.72	1396.35	1468.89
Vijaya Bank	710.42	860.98	994.85

Cases of Robberies in RRBs

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

(a) the details of cases of robberies committed in R.R.Bs and the extent of injuries and deaths caused during 1995 and 1996 so far, State-wise;

(b) whether any benefits/award has been granted to any staff members of these banks for their bravery in resisting the robbers; and

(c) if so, the details thereof?

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

[Translation]

Setting up of National Export Council

389. SHRI JAI PRAKASH (HARDOI) : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have chalked out any plan to sell special import licence for the "India Brand Equity Fund" set up for popularising Indian brands in international markets;

(b) if so, the details thereof;

(c) whether the Government propose to set up National Export Council to make Indian products competitive;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Yes, Sir. Vide Public Notice No. 374 dt. 2.9.96 reissuance of Special Import Licence surrendered to DGFT and its regional offices is provided for such purposes related to public interest as may be deemed fit by the Govt.

Special Import Licence equivalent to cif value of Rs. 167 crores surrendered to DGFT during 1995-96, have been earmarked for re-issue to MMTC and STC as per their requirement against the premium on the sale of such special Import licences be deposited in the account of India Brand Equity Fund.

(c) to (e). A proposal from Confederation of Indian Industry for formation of a National Export Council has been received and is under examination.

The proposal envisages a Committee under the Chairmanship of the Prime Minister for integrating the country's export strategy so as to enhance export growth and raise it in the first instance to US \$ 100 Billion by 2000 A.D.

BCCL Cumulative Deposit Scheme

390. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) whether Bharat Coking Coal Limited propose to launch cumulative deposit scheme on the pattern of Unit Trust of India; and

(b) if so, the amount of deposit likely to be mobilised under this scheme and how this fund is likely to be utilised?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) As per information received from Bharat Coking Coal Limited, the company has no proposal to launch any Cumulative Deposit Scheme on the pattern of Unit Trust of India.

(b) Does not arise in view of the answer to Part (a) of the question.

Joint Venture with USA

391. SHRI N.J. RATHWA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Union Government have received any proposal from Gujarat to set up joint venture with United States of America in tribal areas; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). 8 Foreign Direct Investment proposals envisaging foreign direct investment (FDI) of Rs. 19120.30 lakhs for setting up joint ventures with USA cos. in Gujarat have been approved during the period from 1.1.96 to 30.9.96.

The details of these proposals are given in the enclosed Statement.

STATEMENT

List of Foreign Direct Investment Collaboration cases Approved by All Sections from January 1996 to September 1996 for Gujarat

S. No.	Appr. No/Date (Type/Agency)	Name of Indian Company	Name of the Foreign Collaborator	Amount (% Eqty) (Rs. Lakhs)
1	2	4	5	6
<i>India - U.S.A.</i>				
1.	26 02/01/96 (FIPB (EC))	IBIL Energy Systems Limited 47 First Road Gandhinagar Adyar Madras - 600 020	M/s. Global Environment Fund 1201, Newyork Avenue, Washington DC 20,005	3983.00 (59.45 %)
			U.S.A.	
Item Description : For setting up of a 60 MW power plant			At Location : Kutch (Gujarat)	
2.	69 02/02/96 (FIPB (EC))	Green Sprout Agronomy Limited 11-'Neha', 97, Sampatrao, Race Course Road Baroda-390007 Gujarat	Swift Trading Inc.,	156.43 (30.00 %)
			U.S.A.	
Item Description : Banana Puree (Upto 24 Deg. Bx)			At Location : Kheda (Gujarat)	
3.	3353 01/05/96 (RBI)	Inter Continental Polymer Pvt Ltd. 120-A, B.T. Comp Malad Mumbai	Dr. Saurabh Harshadrai Naik 13501 Narrow Leaf Drive Clarkksuille M.D. 21029 U.S.A. U.S.A.	200.00 (67.00 %)
Item Description : Chemicals			At Location : Valsad (Gujarat)	
4.	339 21/03/96 (FIPB)	Keystone Valves (India) Pvt. Lim 302/A, Ivory Terrace, R.C. Dutt Road Alkapuri, Baroda-390 007	Keystone International Inc.	10.00 (100.00 %)
			U.S.A.	
Item Description : Manufacture and Marketing of Flow and Pressure at Location : Panchamahals (Gujarat)			Control Devices and Valves	
5.	378 29/03/96 (FIPB)	Bharat Starch Industries Limited N. 75, Connaught Circus Post Box No. 263 New Delhi - 110 001	A.E. Staley Manufacturing Co.,	473.90 (38.23 %)
			U.S.A.	
Item Description : Manufacture of Citric Acide, Starch and ITS at Location : Vadodara (Gujarat)			Derivatives	

1	2	4	5	6
6.	215 27/02/96 (FIPB)	Apex Electricals Limited Padra Road Samiala Baroda-391410	M/s. HP Tax Consultants. U.S.A.	300.00 (24.80 %)
	Item Description : Electrical Transformers		At Location : Vadodara (Gujarat)	
7.	288 12/03/96 (FIPB)	Filtech Pharmalab Pvt. Ltd. Star Metal Compound, L.B.S. Marg, Vikhroli, Bombay-400083	M/s. Pall Corporation Inc. U.S.A.	357.00 (51.00 %)
	Item Description : To Manufacture, Distribute and act as an Agent for at Location : Mehsana (Gujarat)		Filters, Filtration and Separation Systems	
8.	998 30/09/95 (FIPB) (CCFI)	-	Coca-Cola South Asia Holdings in P.O. Drawer 1734 Atlanta, GA 30301 U.S.A.	13640.00 (100.00 %)
	Item Description : Setting up a wholly owned subsidiary in Gujarat for at Location : Gujarat		Setting up Bottling Plants which will engage in Preparation, Packaging, sale and Distribution of Beverages	
Total Number of FCs : 8 Total foreign equity for the group (Rs Lakhs) : 19120.30				

[English]

Investment in Assam by L.I.C.

392. DR. PRABIN CHANDRA SARMA : Will the Minister of FINANCE be pleased to state :

(a) the total amount of premium collected by Life Insurance Corporation from the policy holders in Assam during each of the last three years; and

(b) the amount invested in developmental work by L.I.C. in the State during the above period?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The total amount of premium collected by LIC from the policy holders in Assam during the last 3 years is as follows :

(Rs. in Crores)		
1993-94	1994-95	1995-96
173.43	205.85	239.10

(b) The gross investment made by LIC in developmental work in Assam during these 3 years is as follows :

(Rs. in Crores)			
	1993-94	94-95	95-96
1. Statement Government Securities	20.74	17.51	30.00
2. Financial Corpn. Bonds and Shares	-	1.00	-
3. State Govt. for Housing	-	2.27	-
4. Electricity Boards	-	-	8.79
5. Term Loans to Companies	3.39	0.62	-
6. Short Term Loans to Companies	-	-	2.00
7. Debentures	2.18	-	0.75
8. Preference Shares	-	1.00	-
9. Equity Shares	4.44	75.48	16.24
Total :	30.75	97.88	57.78

Profit/Loss Account of RRBs

393. SHRI ANIL BASU : Will the Minister of FINANCE be pleased to state :

(a) the overall profit or loss of all the Regional Rural Banks for the last three financial years; and

(b) the percentage of recovery of public sector banks and regional rural banks separately during the above period?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The National Bank for Agriculture and Rural Development (NABARD) has reported that the Regional Rural Banks (RRBs) incurred an overall net loss of Rs. 314 crores, Rs. 367 crores and Rs. 394 crores (latest available) in the years 1992-93, 1993-94 and 1994-95 respectively.

(b) As per data available from NABARD, the recovery performance of RRBs as a percentage of demand was 40.89 %, 41.20 % and 46.23 % as on 30th June, 1992, 30th June, 1993 and 30th June, 1994 respectively.

As per data available from the Reserve Bank of India (RBI) the overdues of public sector banks, as a percentage to outstanding advances were 17.88 % and 18.24 % as on 31st March, 1993 and 31st March, 1994 respectively.

Anti Dumping Duty on PVC and Bisphenol-A

394. SHRIMATI MEIRA KUMAR : Will the Minister of COMMERCE be pleased to state :

(a) the reasons for imposing anti-dumping duty on imports of PVC and Bisphenol-A;

(b) the revenue earned therefrom during 1994-95 and 1995-96, till date, and

(c) the overall impact on consumer market due to imposition of such duty?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The Designated Authority appointed under the Customs Tariff Act, 1975 and the rules made thereunder found that PVC Resin exported from Brazil, Mexico, South Korea and USA and Bisphenol-A exported from Japan, Russia and Brazil was being dumped into India and the same was causing injury to the Domestic Industry in India.

(b) The information is being collected and shall be laid on the table of the House.

(c) Various economic factors related to the aspect of injury are studied at the time of investigation and the analysis is adequately reflected in the findings. Analysis of economic factors subsequent to imposition of duty can be undertaken at the time of review.

Royalty on coal

395. SHRI SANAT KUMAR MANDAL : Will the Minister of COAL be pleased to state :

(a) whether the Government of West Bengal has strongly protested to the Centre against discrimination on coal royalty and demanded immediate payment of Rs. 1,040 crore to the State as arrears;

(b) if so, the facts of the matter;

(c) whether any action has been initiated towards royalty revision; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b) The Government of West Bengal have written to the Central Government for enhancing the rates of royalty on coal to the level allowed to the other coal producing States. They have stated that non-extension of the enhanced royalties as revised with effect from 1.8.91 and 11.10.94 have caused financial loss to them.

The enhanced rates as revised on 1.8.91 and 11.10.94 have not been made applicable to West Bengal because, unlike other coal producing States, they are levying and collecting cesses on coal which is around 40% of the pithead price of coal. As a result of this impost there has been no financial loss.

(c) and (d) The last revision of royalty rates on coal has been made on 11.10.94. As per the proviso to Section 9 (3) of the Mines and Minerals (Regulation and Development) Act, 1957, the rates of royalty on coal cannot be enhanced more than once during any period of three years. The next revision, therefore, falls due after 10.10.97. Action has been initiated to constitute a Study Group to go into the details of the question of revision of royalty rates on coal for the next revision.

Filling up of High Ranking Posts in G.I.C.

396. SHRI SOUMYA RANJAN : Will the Minister of FINANCE be pleased to refer to the reply given on July 12, 1996 to Unstarred Question No. 354 regarding filling up of high ranking posts in G.I.C. and state :

(a) whether the posts of Chairman-cum-Managing Directors of United India Insurance Company Ltd., New India Assurance Co. Ltd. and National Insurance Co. Ltd. are lying vacant;

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

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c) The posts of Chairman-cum-Managing Director, New India Assurance Co. Ltd.

and National Insurance Co. Ltd. have already been filled up. All necessary steps are being taken by the Government to fill in the post of Chairman-cum-Managing Director, United India Insurance Co. Ltd.

Export of Jute

397. SHRIMATI VASUNDHARA RAJE : Will the Minister of TEXTILES be pleased to state :

(a) the steps taken by the Government to increase the export of jute;

(b) the total amount worth jute goods exported during each of the last three years; and

(c) the details of the projections made for the year 1996-97?

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

(a) The Government has taken a number of measures to boost the export of jute and jute goods to various international markets, viz, participation in international fairs, organising buyers'- sellers' meets, liaising with importers and the users, funding R and D activities to develop a new range of diversified jute products to suit consumer preferences, External Market Assistance Scheme, setting up of the National Centre for Jute Diversification, launching of the UNDP assisted National Jute Development Programme to focus attention on market promotion of jute diversified products.

(b) The amount worth of jute goods exported during the last three years was as follows :

Year	Amount (Rs./crores)
1993-94	380.00
1994-95	480.00
1995-96	634.00

(c) The Government has projected an export target of jute goods worth US \$ 180 million (Rs. 630 crores approximately) for the year 1996-97.

[Translation]

World Bank Assistance for the Abolition of Corruption

398. SHRI O.P. JINDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-item captioned 'Bharstachar Khatm Karne mein Vishwa Bank Madad Karega, as appeared in the Nav Bharat Times dated October 22, 1996;

(b) if so, the manner in which the World Bank proposed to assist India in the elimination of corruption; and

(c) the reaction of the Government thereto?

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

(b) The topic of corruption in India was not raised by the World Bank President or any other Bank official with Government of India during Mr. Wolfensohn's visit to India in October 1996 or subsequently.

(c) Does not arise.

[English]

Foreign Exchange

399. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :

The amount of foreign exchange granted for business, Foreign Trips, Medical, Religion and trade fair purposes, separately during each of the last three years?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Information is being collected from RBI to the extent RBI and its Regional Offices have released foreign exchange for the purposes asked for and will be laid on the Table of the House.

In the wake of economic liberalisation, powers have been delegated to Authorised Dealers to release admissible foreign exchange for business, foreign trips, medical, religion and trade fair purposes. There are 103 banks and other institutions who have been issued licences to deal in foreign exchange. These banks and institutions have 27,806 foreign exchange dealing branches spread all over India. It will involve a great effort and time to collect the information and the purpose achieved will not be commensurate with the efforts put in.

Export of Iron ore by MMTC

400. SHRIMATI BHAVNABEN DEVRAJ BHAI CHIKHALIA : Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of iron-ore exported and the foreign exchange earned therefrom by Minerals and Metals Trading Corporation of India Ltd. (MMTC) during the Seventh Plan period;

(b) whether a greater emphasis has been laid by the MMTC to increase the export of iron-ore during the Eighth Five Year Plan;

(c) if so, the details thereof alongwith the target set for export of iron-ore by MMTC and the achievements made so far during the Eighth Plan period;

(d) the details of countries to whom iron-ore is being exported at present; and

(e) the details of countries with whom negotiations have been made to export iron-ore?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The details about total quantity of iron ore exported and the foreign exchange earned therefrom by MMTC during the 7th Five Year Plan period are as under :

Qty : lakh tonnes
Val : Rs. crores

Year	Qty	Value
1985-86	163.96	335.69
1986-87	180.20	362.98
1987-88	145.85	294.42
1988-89	176.45	381.29
1989-90	175.20	496.77
Total	841.66	1871.15

(b) and (c). As per the Government Policy, iron ore surplus to domestic requirements is being exported. MMTC has made efforts to maximise iron ore exports during the Eighth Plan. The details regarding year-wise targets as well as exports of iron ore effected by MMTC during the Eighth Plan are as under :

(In Rs. crores)

Year	Target	Performance
1992-93	738.00	658.94
1993-94	667.89	633.60
1994-95	584.75	660.80
1995-96	688.28	688.90
1996-97	724.20	396.39
(Apl.-Oct.'96)		

(d) Presently, iron ore is being mainly exported to Japan, South Korea, China, Pakistan and UAE by MMTC.

(e) During this year, MMTC has signed a five-year Long-term Agreement with Japan and South Korea for export of various grades of iron ore. Another Long term Agreement has been signed with Pakistan, which is valid up to August'97. Proposals have also been received by MMTC for entering into Long-term Agreements with Thailand, China and Saudi Arabia.

Policy Paper on PSUs

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

(a) whether the Government propose to bring out a policy paper on public sector undertakings; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). There is no proposal to bring out any separate policy paper on the PSUs at the present

since the broad policy parameters have been spelt out in the Common Minimum Programme. To start with, a comprehensive package in respect of PSUs under the administrative control of Ministry of Industry (Department of Heavy Industry) is in the process of being finalised.

Import of Non-Ferrous Metal Waste

402. SHRI TARIQ ANWAR : Will the Minister of COMMERCE be pleased to state :

(a) whether the import of non-ferrous metal waste still continues;

(b) if so, the reasons therefor;

(c) whether the current licensing system has failed to meet the import demand; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d). Under the current Export and Import Policy, import of certain specified non-ferrous metal scraps identified by the ISRI (Institute of Scrap Recycling Industries) Code Word are permitted freely by all persons. Such imports are basically meant for recycling use. However, Import of all other non-ferrous metal waste and scrap continues to be regulated under the licensing system.

Hindustan Cables Ltd.

403. SHRI HARADHAN ROY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Hindustan Cables Ltd. is incurring losses;

(b) if so, the reasons therefor;

(c) whether any short and long term plan have been taken to check the losses;

(d) if so, the details thereof;

(e) the order book position of Hindustan Cables Ltd. during each of the last three years and till date; and

(f) the steps being taken by the Government to boost the fresh orders?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes. Sir, Hindustan Cables Ltd. has been incurring losses since 1995-96.

(b) The main reasons for loss are low production due to acute shortage of working capital and huge sundry debtors alongwith excessive manpower cost and high interest charges.

(c) and (d).

i. Government has given guarantee for HCL's overdrawing against cash credit account.

- ii. DOT has released a part of the outstanding dues.
- iii. IFCI has reduced the margin money requirement for their loan to HCL from 30 % to 10 %.

- iv. Financial assistance under NRF is being given for implementation of VRS and reduction of fixed cost.

(e) The order book position of HCL during each of the last 3 years and till 31st October, 1996 is as under :

	1993-94 (Rs. in crore)	1994-95	1995-96	1996-97 (Upto Oct. 1996)
Opening order	244	66	110	255
Order received during the year	308	609	477	119
Orders executed during the year	486	565	332	208
Orders carried over	66	110	255	166

(f) To boost fresh orders DOT has been requested to earmark 30% of its annual requirement of telecom cables for procurement from HCL and also give 50% advance to HCL alongwith purchase orders

Loss Suffered by MMTC due to Irregularities

404. SHRI T. GOPAL KRISHNA :
SHRI K.S. RAYADU :

Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation of India Ltd. has incurred losses due to irregularities recently;

(b) if so, the details thereof; and

(c) the steps taken to set right the working of the MMTC?

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

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

Removal of Quantitative Restrictions on All Imports

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

(a) whether India's commitment to World Trade Organisation's provisions has prompted the Government to seek Industry's views on opening of the consumer goods industry and eliminate quantitative restrictions on their imports;

(b) if so, the reasons for such commitment;

(c) whether his Ministry has discussed this issue with all the organisations and industrialists;

(d) if so, the details thereof; and

(e) the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e). Article XI of the General Agreement on Tariffs and Trade, 1994 requires that no prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licences or other measures shall be maintained by any members of the World Trade Organization (WTO). However, keeping in view the difficult balance of payments situation, India has been maintaining import restrictions since 1948 under Article XII, and since 1950 under Article XVIII.

During the last B.O.P. Committee consultations held in December, 1995 with India, many members of the WTO Committee on Balance-of-Payments-Restrictions stated that India's balance-of-payments position was comfortable, that India did not currently face the threat of a serious decline in foreign exchange resources as set out in Article XVIII and that, therefore, continued recourse to import restrictions for balance-of-payments reasons by India could not be justified. Many members requested India to present a time-table for phasing out the restrictions. In its conclusion, the Committee welcomed India's readiness to resume the consultations in October, 1996 and to notify to be WTO all remaining restrictions maintained for balance-of-payments purposes soon after the announcement of the 1996-97 Export-Import Policy. Accordingly, a notification regarding the quantitative restrictions was made to the WTO in July, 1996.

The time-table for removal of quantitative restrictions maintained on import of products, including the consumer goods, will be known only after the resumed consultations with India in the WTO Committee on Balance-of-Payments-Restrictions, which have now been postponed to January, 1997.

There is no requirement to consult the industry in the removal of QRs. However, industry's views on major

trade policy issues are made known during interactions at the meetings held by the Commerce Ministry from time to time, including at the meeting of the Board of Trade, and these are taken into account while formulating the policies

Financial Irregularities and FERA Violations by Companies

406. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state

(a) whether the Government have received evidences of involvement of certain important private companies in financial irregularities including FERA violations;

(b) if so, the details thereof; and

(c) the steps taken to check such violations and to safeguard the interest of share holders in such companies?

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

Setting up of Industries in U.P.

407. SHRI ASHOK PRADHAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up any industry around Khurja city of Uttar Pradesh;

(b) if so, the details thereof;

(c) whether any survey has been conducted or is likely to be conducted in this regard; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) At present there is no plan to set up any Central Public Sector Undertaking around Khurja city of U.P.

(b) to (d). Do not arise

[Translation]

Production of Coal

408. SHRI DATTA MEGHE :
SHRI HARIN PATHAK :

Will the Minister of COAL be pleased to state :

(a) whether country is not self-sufficient in the production of coal;

(b) if so, the details regarding the annual growth of coal alongwith the consumption as well as demand in the country;

(c) whether the gap between the demand and availability is likely to be increased during the current financial year;

(d) if so, to what extent; and

(e) the steps taken by the Government to increase the production of coal?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) The domestic production of coking coal of the quality required for metallurgical use is not adequate to meet the domestic demand. Some import of superior grades of coking coal is also necessary for blending purposes on quality considerations. The domestic production of superior grades of non-coking coal is limited. Some mismatch between the demand and availability of non-coking coals also occurs as a result of transport mismatches and due to unanticipated increase in demand.

(b) The annual growth in domestic production and consumption of coal has been as follows :

Year	Annual growth in production over earlier year (%)	Annual growth in coal consumption over earlier year (%)
92-93	3.85	5.3
93-94	3.33	5.1
94-95	3.11	2.3
95-96	6.47	7.5
96-97 (targeted)	6.85	-

The growth in demand as assessed by Planning Commission is given below :

Year	Percentage growth over earlier year
1992-93	4.47
1993-94	4.71
1994-95	(-) 0.20
1995-96	7.26
1996-97	12.84

(c) Yes, Sir

(d) The Planning Commission has indicated that there would be a gap of 36.35 million tonnes in demand and domestic availability of coal in the country during 1996-97.

(e) Steps being taken to augment domestic production of coal include the following :

(i) Opening up of new mines and increasing efficiency and productivity in existing mines by modernisation, application of new technologies and ensuring timely availability of inputs and infrastructural facilities.

(ii) Partial de-regulation of coal prices is likely to improve internal resource generation of coal companies which will enable new projects to be taken up. It will also

improve the financial viability of new mining projects.

- (iii) The capital base of Coal India Limited has been restructured to enable it to raise additional financial resources from the capital markets which are required to add new coal production capacity
- (iv) Steps are being taken in co-ordination with the Railways to remove the transportation bottlenecks in such coalfield areas which have potential for enhanced.
- (v) Steps are being taken to remove the bottlenecks in land acquisition and forest land clearances
- (vi) Private sector companies engaged in production of iron and steel, cement and generation of power have been premitted to take up coal mining for captive consumption. This is expected to increase domestic coal production.

[English]

Pending Insurance Claims of Vehicles

409. SHRI ANNASAHIB M.K. PATIL : Will the Minister of FINANCE be pleased to state :

(a) the details of insurance claims of vehicles pending for the last one to two years, two to three years, three to five years and five years and above and the amount involved therein separately in Maharashtra, company-wise;

(b) the details of fresh initiatives taken to upgrade the system for efficient and speedy settlement of cases and eradication of malpractices in claim settlement; and

(c) the number of fake claims detected during the last three years in Maharashtra and the action taken against the persons found involved therein?

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

Loss Suffered by MMTC in Gold Export Scam

410. SHRI MOHAN RAWALE : Will the Minister of COMMERCE be pleased to state :

(a) the total loss suffered by the Minerals and Metals Trading Corporation (MMTC) in the gold export scam including the principal amount, customs duty and interest;

(b) the details of frauds unearthed at Jhandewalan Jewellery Complex and the Noida Export Processing Zone;

(c) whether these frauds have been reported to the Central Bureau of Investigation;

(d) if so, the details thereof;

(e) the particulars of officials of MMTC rewarded for unearthing the frauds;

(f) the particulars of officials of MMTC who were penalised for violating Exim Policy by issuing gold on loan basis without any bank guarantee and the nature of penalty imposed; and

(g) the present status of the case?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Against a total supply of 36,487 kg. of gold to exporters between 1993-94 and 1995-96, MMTC has reported default of 172 kgs. of gold valued at Rs. 6.88 crores as outstanding against a few exporter in exporting gold jewellery under the schemes at para 88 of the Exim Policy.

(b) Five exporters in Jhandewalan Gold Jewellery Complex and fifteen exporters in Noida Export Processing Zone have defaulted under the scheme as reported by MMTC.

(c) and (d). Six cases relating to default have been referred to Central Bureau of Investigation.

(e) to (g). The Government have constituted an Inter-Ministerial Group under the Chairmanship of Commissioner (Customs), Delhi to take coordinated action against defaulting exporters of gold jewellery. Action has been pursued by MMTC in all cases of default in association with Director General of Foreign Trade, Custom Department, Directorate of Enforcement, Revenue Intelligence and Central Bureau of Investigation. Action has also been initiated by MMTC to ascertain negligence if any, on the part of MMTC officials.

Customs Duty Defaulters

411. SHRI BHIMRAO VISHNUJI BADADE : Will the Minister of FINANCE be pleased to state :

(a) whether the several private companies and many Government undertakings are among the defaulters in Customs Duty transaction; and

(b) if so, the details of such companies and the legal action being taken by the Government to prevent such practice?

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

(b) The details of the names of companies can be furnished is the time period for which the information is sought if available. However, the Government has taken legal steps to prevent the tendency on the part of importers to delay the payment of customs duty by enacting appropriate legislation. Section 28AA of the

Customs Act, 1962 which has been enacted in Finance Act, 1995 provides for imposition of interest @ 20% on the amount the payment of which is delayed by the importer. In addition, Section 142 (I) (C) (ii) has been introduced by Finance Act, 1995, enabling the officers of the Department to distrain any movable or immovable property belonging to the said importer and cause the said property to be sold and appropriate the sale proceeds towards the sums due to the Government.

Rubber and Coffee under OGL

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

(a) whether Rubber and Coffee have been put under OGL in the new import policy;

(b) if so, the reasons therefor;

(c) whether the Government have received any representation against it; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d). Under the current Export and Import Policy, as amended, import of natural rubber continues to be restricted. However, import of the same is permitted against freely transferable Special Import Licences. Import of coffee roasted not decaffeinated and decaffeinated coffee in bulk packaging is freely permitted.

Some representations have been received in respect of coffee and since review of Export and Import Policy is an ongoing process, changes, if any, in the Policy may be made as and when considered necessary in public interest.

Jute Cess Fund

413. SHRI SRIBALLAV PANIGRAHI : Will the Minister of TEXTILES be pleased to state :

(a) whether some cases of diversion of jute cess fund have come to the notice of the Government during the last two years;

(b) if so, the details thereof and the action taken by the Government against the persons responsible for this diversion of funds; and

(c) the amount of Jute Cess Fund collected during the last two years together with the details of heads under which it was spent?

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

(a) No, Sir.

(b) Does not arise.

(c) The figures of total jute cess collections during the last two years are as under :

Year	Cess collected
1994-95	Rs. 1692 lakhs
1995-96	Rs. 1254 lakhs

The Jute Cess Fund is collected and credited to the Consolidated Fund of India. Every year, the Government releases funds to Jute Manufactures Development Council (JMDC) from out of the proceeds of Jute Cess Funds, so collected, which are utilised mainly towards Market Promotion activities. The JMDC utilises a part of the grant received towards Training and Development by allocating funds to the Institute of Jute Technology. The year-wise utilisation of grants towards Training and Marketing activities are as follows :

Year	Training Expenses	Promotional Expenses
1994-95	Rs. 30.00 lakhs	Rs. 1625.38 lakhs
1995-96	Rs. 33.75 lakhs	Rs. 2630.93 lakhs (including arrears)

Decline in Export

414. SHRI SANTOSH KUMAR GANGWAR :
SHRI A.C. JOSE :
SHRIMATI SUMITRA MAHAJAN :
DR. LAXMINARAYAN PANDEY :

Will the Minister of COMMERCE be pleased to state :

(a) whether there has been a sharp decline in export trade during the current financial year;

(b) if so, the reasons therefor indicating the volume and value alongwith the figures of export trade of major commodities/goods during 1994-95, 1995-96 and 1996-97;

(c) whether the Government have received any suggestions from various Export Promotion Councils to accelerate/export growth; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir. As per latest data available from DGCI and S, exports during April-Sept., 1996 are valued at US \$ 16.14 billion representing a growth of 9.9% over the level of exports valued at US \$ 14.68 billion in April-Sept., 1995.

(b) India's total exports (DGCI and S data) for 1994-95 were valued at US \$ 26.33 billion and for 1995-96 at US \$ 31.83 billion.

(c) and (d). Interaction between Government and the various agencies for accelerating exports is a continuous process and remedial measures are taken from time to time based on the suggestions of these agencies including Export Promotion Councils

Conference on Investment Opportunities

415. SHRI MADHAVRAO SCINDIA :
SHRI SULTAN SALAHUDDIN OWAISI :

Will the Minister of INDUSTRY be pleased to state :

(a) whether Prime Minister inaugurated two day conclave titled "Destination India-Global Summit on Investment Opportunities".

(b) if so, whether this conference was organised by Ministry of Industry and FICCI.

(c) whether the conference was successful in bringing together 500 businessmen from India and abroad.

(d) the main decision arrived at in the conference.

(e) the number of foreign investors attended the conference; and

(f) the decision taken and steps taken to implement them?

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

(b) and (c). Ministry of Industry, in association with the Federation of Indian Chambers of Commerce and Industry, organised a Global Summit on Investment Opportunities in India on September 10-11, 1996 at Vigyan Bhavan, New Delhi. It was attended by about 100 foreign delegates and around 400 Indian delegates.

(d) to (f). The Summit which was attended by about 100 foreign delegates was intended to evolve a cross-fertilisation of ideas and suggestions to buttress the on-going process of promoting further investment opportunities in the country and to provide special focus on six thrust sectors namely, Information technology, Computer software, Energy-Power, hydrocarbon and non-conventional energy sources, Transport Infrastructure, Agri business and food processing, Financial Services, and Environmental Technologies. The suggestions received from the participants provided valuable input for Government's continuing effort to promote investment and to update policy.

[Translation]

Pension Scheme in Allahabad Bank

416. SHRI PITAMBAR PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Allahabad Bank has implemented the new pension scheme in its all branches and started

paying pension to widows of its employees in accordance with this scheme.

(b) if so, whether the Government are aware that Sultanpur branch of the bank has not yet implemented the new pension scheme; and

(c) if so, the reasons therefor and the steps being taken to remedy the situation?

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

(b) and (c). The bank has informed that it has implemented the new pension scheme in respect of all branches including Sultanpur branch.

KVIC

417. SHRI NAMDEO DIWATHE : Will the Minister of INDUSTRY be pleased to state :

(a) the amount spent on bee-keeping by the Khadi and Village Industries Commission and other such agencies during the last three years;

(b) whether a survey has been carried out about the protection of bee-keeping Industry in various States of the country particularly in Maharashtra; and

(c) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The details of total amount spent on bee-keeping by KVIC during the last three years is :

Year	Amount (Rs. in Lakhs)
1993-94	74.52
1994-95	52.73
1995-96	155.90

(b) No, Sir. No such survey has been carried out in the recent past about the protection of bee-keeping Industry in various states of the country particularly in Maharashtra.

(c) Does not arise.

[English]

Import of Coal from Australia

418. SHRI SARAT PATTANAYAK : Will the Minister of COAL be pleased to state :

(a) whether the Government are considering to import coal from Australia;

(b) if so, whether any trade delegation from Australia visited the country recently in this regard;

(c) if so, the details of the discussions held with Australian delegation; and

(d) the outcome thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Coal can be freely imported under the present Export and Import Policy. Imports, if any, are to be made by the consumers themselves considering their needs and exercising their own commercial judgement.

(b) to (d) An Australian delegation visiting India in the first week of November 1996 had discussion in this Ministry. The discussions were on matters of mutual interest in the coal sector. This included discussions on coal mining technology, exploration, utilisation and beneficiation of coal among other subject.

Import of Coking Coal

419 SHRI HARIN PATHAK :

SHRI SUSHIL CHANDRA :

Will the Minister of COAL be pleased to state

(a) the target fixed for the production of coking and non-coking coal separately during 1995-96 alongwith the details of the actual production;

(b) the names of the coal companies which were unable to meet the target fixed for production and the reasons therefor;

(c) the quantum of coking and non-coking coal imported during each of the last three years, separately, and

(d) the locations of the Low Temperature Carbonisation plants set up in the country so far and the future plan of action to set up these plants?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Target for coking coal and non-coking coal and achievement during 1995-96 in respect of Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) are as under :

(Million Tonnes)

Grade	Target	Actual
Coking	41.62	34.63
Non-coking	227.38	229.23

(b) Eastern Coalfields Ltd. (ECL), Bharat Coking Coal Limited (BCCL), Central Coalfields Ltd. (CCL) could not achieve the production target mainly due to inadequate availability of power from DVC and unprecedented rains in Sept. 1995, bandhs and economic blockades and non-availability of forest land for on-going projects particularly of CCL. In case of SCCL, coal production was seriously affected due to two major strikes in April-May, 1995 and October-November, 1995.

(c) According to the statistics available in the Directorate General of Commercial Intelligence and

Statistics, the total quantity of various types of coal imported into the country during the years 1993-94, 1994-95 and 1995-96 were as follows :

(In lakh tonnes)
(Data provisional)

Year	Coking Coal	Non-coking Coal	Other coals including various types of coke of coals etc	Total
1993-94	69.36	3.93	1.77	75.06
1994-95	101.58	5.74	6.60	113.92
1995-96	N.A.	N.A.	N.A.	132.26

(Grade-wise break up of imports for 1995-96 are not available)

(d) One Low Temperature Coal Carbonisation plant belonging to CIL is situated in Dankuni (West Bengal). At present CIL has no proposal to set up Low Temperature Carbonisation plants.

Export made by EPZs

420 SHRI SAMIK LAHIRI :

SHRI K.P. NAIDU :

Will the Minister of COMMERCE be pleased to state

(a) the percentage share of export by Export Processing Zones in comparison to the total export by the country during each of the last three years;

(b) the total earning made from exports through Export Processing Zones during each of the last three years, zone-wise;

(c) the target set for the current financial year; and

(d) the steps taken by the Government to increase the export from Export Processing Zones?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The percentage share of export from Export Processing Zones (EPZs) in comparison to the total exports by the country during the last 3 years is indicated below :

Year	Percentage share
1993-94	2.81
1994-95	3.21
1995-96	3.04

(b) Zone-wise export earnings during the last three years are given in the enclosed Statement.

(c) The export target set for the EPZs during 1996-97 is Rs. 4050 crores.

(d) Some of the steps taken to increase the exports from the EPZs include broadening of the area of activity to include trading, re-export after re-packing labeling, repairs, reconditioning and re-engineering, higher access to domestic market, flexible value addition norms and simplification of custom procedures.

STATEMENT

Export earnings through Export Processing Zones during the last three years :

(Rs. Crores)

Zone	1993-94	1994-95	1995-96
Kandla FIZ	270.36	320.03	325.29
Santacruz Electronics EPZ	1107.36	1549.46	1876.29
Noida EPZ	262.62	367.00	496.89
Madras EPZ	200.20	281.38	391.92
Cochin EPZ	83.81	102.53	120.31
Falta EPZ	35.56	32.31	24.04
Vizag EPZ	-	0.40	0.89
Total	1959.91	2653.11	3235.63

[Translation]

Royalty on Coal

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

(a) the amount of royalty to be paid on coal by the Union Government to the States as on October 31, 1996 State-wise; and

(b) the amount paid as royalty on coal by the Union Government to Bihar Government during the years 1994-95 and 1995-96?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Royalty on coal is not payable by the Union Government to the concerned State Government. As per the provision in Section 9(1) of the Mines and Minerals (Regulation & Development) Act, 1957, the royalty is payable by the holder of the coal mining lease. The State-wise amounts of royalty payable by Coal India Limited (CIL) to the coal producing States as on 31-10-96 for the coal despatched from the mines on which CIL holds the leases are as under:-

States	Amount (Rs. in crores)
1	2
West Bengal	2.59
Bihar	8.12

1	2
Orissa	16.96
Maharashtra	0.74
Madhya Pradesh	0.31
Uttar Pradesh	0.00
Assam	0.01
Total	28.73

The amount of royalty payable by Singareni Collieries Company Limited to the Government of Andhra Pradesh during the period from 1.4.96 to 31.10.96 is Rs.159.40 crores.

(b) The amount of royalty on coal paid to the Government of Bihar during 1994-95 and 1995-96 are as under :-

Years	Amount (Rs. in crores)
1994-95	613.18
1995-96	658.33

[English]

Debt Trap

422. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are considering a statutory cap on Government borrowings;

(b) if so, whether the Government have received representations to invoke Article 292 and 293 of the Constitution to enable Parliament to cap Government borrowings; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Suggestions in this regard have been made in the past by Parliamentary Committees, Hon'ble Members and others, including most recently, the Reserve Bank of India.

The suggestion is under consideration.

Foreign Exchange Regulations

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

(a) whether the R.B.I. has relaxed foreign exchange regulations recently; and

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

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

MMTC Projects in Orissa

424. SHRI K.P. SINGH DEO : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metals Trading Corporation of India Ltd. (MMTC) has made any plan to launch some projects in Orissa; and

(b) if so, the details thereof alongwith the estimated cost and the employment generation potentiality of those projects?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). MMTC is proposing to set up a one million tonne Steel Plant Project at Duburi in the State of Orissa with an estimated cost of Rs.1510 crores. The project will give direct employment to about 1750 people. MMTC is also planning to set up a Coke Oven Plant Project to produce 8.8 lakh tonnes of metallurgical coke and captive power plant of 55 MW capacity, at an estimated cost of Rs.480 crores. This project will provide direct employment opportunity to about 350 people.

Shortage of Coal

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

(a) whether the failure of public sector coal companies to invest in new projects during the last three years has triggered an acute demand and supply crisis in the country;

(b) if so, the details thereof; and

(c) the steps the Government propose to take in this regard including urging the public sector units to invest more in coal projects?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). Planning Commission has estimated raw coal demand of coal at 325.00 million tonnes during the year 1996-97. During this period domestic availability of coal is estimated at 290.65 million tonnes. Thus the gap between demand and availability of raw coal from domestic sources during the year 1996-97 would be 34.35 million tonnes.

The gap between demand and availability has increased partially due to sudden jump in demand and partially due to inability of coal companies to invest in new project due to resource constraints.

(c) To augment resources of public sector coal companies following measures have been taken :

(i) Partial de-regulation of coal prices is likely to improve internal resource generation of

coal companies which will enable new projects to be taken up. It will also improve the financial viability of new mining projects.

(ii) The capital base of Coal India Limited has been restructured to enable it to raise additional financial resources from the capital markets which are required to add new coal production capacity.

To augment supply of coal following other measures have been taken.

(i) Increasing efficiency and productivity in existing mines by modernisation, application of new technologies and ensuring timely availability of inputs and infrastructural facilities.

(ii) Steps are being taken in co-ordination with the Railways to remove the transportation bottlenecks in such coalfield areas which have potential for enhanced production.

(iii) Steps are being taken to remove the bottlenecks in land acquisition.

(iv) Private sector companies engaged in production of iron and steel, cement and generation of power have been permitted to take up coal mining for captive consumption. This is expected to increase domestic coal production.

[Translation]

I.T. Evasion By Big Companies

426. SHRI ASHOK PRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether Income Tax Officers have detected some cases of Income Tax evasion by big companies of the country during the period between 1st July, 1996 to 10th November, 1996.

(b) whether the officers of Directorate of Enforcement have also conducted raids on some big companies for violation of FERA during the said period;

(c) if so, the details thereof;

(d) whether the alleged involvement of some Government officials in these cases has also been detected;

(e) if so, the details thereof; and

(f) the details of the action taken so far against the defaulter companies and alleged guilty officers?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Income Tax Department has detected instances of tax evasion in some such companies during the period between 1st July, 1996 to 10th November, 1996.

(b) to (f). The Enforcement Directorate has undertaken investigations under the provisions of Foreign Exchange Regulation Act, 1973 against two such companies viz M/s. I.T.C. Ltd. and M/s Shaw Wallace & Co. These investigations are continuing.

[English]

Production of Hank Yarn

427. SHRI SHARAD PAWAR : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government of Maharashtra has sent a proposal to exempt the Co-op. Spinning Mills from the obligation of 50% of their production of Yarn in hank form under the Textile (control) Order, 1986.

(b) whether the State Government assured that Co-op. Spinning Mills in Maharashtra will ensure adequate supply of hank yarn to the handloom weavers in the State;

(c) if so, the reaction of Government thereto; and

(d) the time by which the exemption is likely to be given?

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

(a) Yes, Sir.

(b) Yes, Sir.

(c) and (d). In fact reduction in the hank yarn obligation from 50% to about 29% only had been requested. The same was considered and it was decided that reduction in the obligation from 50% to a lower level is not possible as this will dilute the efforts made by the Government of India to provide adequate yarn to the handloom weavers.

Seizure of Fraudulent Claims of Insurance By C.B.I.

428. SHRI PRAMOD MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn towards the newsitem appearing in "Hindustan Times" dated October 17, 1996 under the caption "Insurance Racket Unearthed";

(b) if so, the details of files found missing from the divisional office of the Oriental Insurance Company till date;

(c) the details of fraudulent claims settled during each of the last three years and the amount involved therein;

(d) whether Government have received any complaints of corruption against the officials of the Insurance Company during the above period;

(e) if so, the detail thereof; and

(f) the action taken thereon?

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

(b) to (f). The Oriental Insurance Company Limited (OIC) have reported to have received an FIR from CBI, Jammu alleging a criminal conspiracy by some Officers/ Officials of Oriental, Srinagar to defraud the company by removing claim files from the Divisional Office to a residential building in Srinagar. 204 files were reportedly collected by CBI by raiding the house at Srinagar. OIC have intimated that 200 more files were collected by CBI from the Divisional Office of Oriental. The company is in touch with CBI to get the results of its investigation where-after the extent of fraud committed would be known as also persons involved, making the consequential actions to follow. However, vigilance clearance in respect of an accused Officer who retired w.e.f. 31.8.1996 and opted for pension, has been withheld.

National Renewal Fund

429. KUMARI SUSHILA TIRIYA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the National Renewal Fund is facing paucity of funds;

(b) if so, the reasons thereof;

(c) whether allocation for National Renewal Fund is steadily coming down and renewal programmes referred to it have been pending for long;

(d) if so, the reasons therefor;

(e) the details and the present status of pending proposals with their financial implications and availability of funds under NRF; and

(f) the details of funds sought by various State Governments with particular reference to Maharashtra under NRF as per pending proposals and action proposed thereon?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). National Renewal Fund is not facing a paucity of funds to finance schemes permitted so far, i.e. Voluntary Retirement Scheme for Central Public Sector Undertakings and Scheme for workers counselling, retraining and redeployment.

(c) and (d). Budget allocation for National Renewal Fund has been declining but no proposals within the permissible schemes have been pending for long.

(e) and (f). The department have received proposals from State Governments amounting to Rs. 407.86 crores, including the proposals from the State Government of Maharashtra amounting to Rs. 74.83 crores. However, the assistance from the National Renewal Fund is presently restricted to Central Public Sector Undertakings.

Setting up of Industries in Hilly Areas

430. SHRI BACHI SINGH RAWAT (BACHDA) : Will the Minister of INDUSTRY be pleased to state :

(a) the number of Public Sector Undertakings/ Industries set up in the hilly areas of Uttar Pradesh during the last three years;

(b) whether people of hilly areas have been given employment in them; and

(c) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No Central Public Sector Undertaking/ Industry has been set in the hilly areas of Uttar Pradesh during the last three years

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

Monitoring of Export Obligations Under EPCG

431. SHRI SULTAN SALAHUDDIN OWAISI :
SHRI JAI PRAKASH AGARWAL :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have tighten its monitoring of export obligations under the Export Promotion Capital Goods during the current year;

(b) whether it is also closely monitoring export obligation under foreign collaboration approval clause;

(c) if so, the details thereof;

(d) whether his Ministry has sent notices to 38 companies for not meeting export obligations under the foreign collaborations approval clause during the last three years;

(e) if so, the outcome of these notices; and

(f) the steps taken to check such practices?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). Yes, Sir. Export Obligation imposed under Export Promotion Capital Goods Scheme and Foreign Collaboration Approval are being monitored on the basis of the returns, indicating export performances, submitted by firms.

(d) and (e). Yes, Sir. These cases are under adjudication for imposition of penalties as per terms and conditions of the Legal Undertakings filed by the companies against fulfilment of Export Obligation.

(f) Close monitoring and review of the performance by the firms against their export obligation commitments through the returns filed and enforcing the conditions of the Legal Undertaking filed by the firms are steps taken to check such practices.

Benami Accounts in Banks

432. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of the benami accounts having been opened in public sector banks particularly in Opera House Branch of Bank of India, Fort branches of the State Bank of Saurashtra and Sangli Bank and D.N. Road branch of Standard Chartered Bank;

(b) if so, the details thereof;

(c) the action taken against the officials found responsible for opening those bank accounts;

(d) the number of such more accounts in other banks in the private and public sector all over the country; and

(e) the steps proposed to be taken to check the opening of benami accounts in the bank?

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

Development of Handicrafts

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

(a) the number of proposals received from the Government of Delhi for promotion of handicrafts in the Capital during the last three years, year-wise;

(b) the number of proposals out of them pending or under consideration as on date;

(c) whether the Government have prepared any scheme for promotion of handicrafts in the capital of Delhi;

(d) if so, the details thereof; and

(e) the amount spent on the promotion of handicrafts in Delhi during the last three years and the current year till date?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b). The scheme of the Government does not envisage any assistance to the State Governments directly including the State of Delhi for promotion of handicrafts. However, assistance is provided to State Corporation/Societies etc. The number of proposals received from Delhi State Industrial Development Corporation (the corporation looking after the promotion of handicrafts in Delhi) and from Delhi Tourism during the last three years is as under :-

Years	No. of proposal received
1993-94	2
1994-95	3
1995-96	1

All the above mentioned proposals, except one of 1995-96 relating to renovation of an emporia, have been approved.

(c) and (d). For overall development and promotion of handicrafts in the country, including the State of Delhi, the schemes which are being implemented include: training; marketing development support; organisation of marketing programme; design development; setting up of craft development centres and setting up/renovation of emporia.

In addition to above schemes, a permanent "Dilli Haat" has been set up near INA Market, Delhi with a view to providing marketing outlet for the artisans of Delhi and other States. Similarly, the Central Cottage Industries Corporation Ltd. (CCIC) and Handicrafts and Handloom Exports Corporation Ltd. (HHEC) have set up their showrooms in Delhi for marketing of handicrafts of Delhi and of other States. Delhi has also its emporia for sale of handicrafts.

(e) The amount sanctioned for promotion of handicrafts in Delhi under various schemes of the Government during the last three years and the current financial year is as under :-

(Rs. in lakhs)

S.No.	Year	Amount Sanctioned
1.	1993-94	65.69
2.	1994-95	101.75
3.	1995-96	173.24
4.	1996-97 (till 20.11.96)	29.93

Limit of Admissible Deduction in Income Tax

434. SHRI SOMJIBHAI DAMOR : Will the Minister of FINANCE be pleased to state :

(a) whether the present limit of admissible deduction of Rs.1500/- on account of maintenance of minor children is inadequate;

(b) if so, whether the Government propose to raise this ceiling in view of the high expenditure on education of children.

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The exemption of Rs. 1500 provided under clause (32) of section 10 of the Income-Tax Act is not on account of maintenance of a minor child. Therefore, the question of its adequacy or otherwise does not arise. No proposal to raise the exemption limit is under consideration of the Government.

Garments Export Policy

435. SHRI D.P. YADAV : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have reintroduced the non-quota exporters entitlement scheme and has earmarked a separate category for new investors for 1997-99; and

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

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

(a) and (b). Yes, Sir. In the new Garment Export Entitlement Policy (Quota Policy) 1997-99, the Government have reintroduced the Non-Quota Exporters Entitlement System with an allocation of five percent of the annual level. It would be an additional benefit to the non-quota exporters and it is likely to encourage them to export more non-quota items. For new investors, a separate system has also been earmarked in the new Policy with a 10% of annual level.

Winding Up of BIFR

436. SHRI PRADIP BHATTACHARYYA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have mooted a proposal to wind up the functioning of the Board for Industrial and Financial Reconstruction;

(b) if so, whether the Government propose to adopt any other alternative to BIFR to save the sick PSUs; and

(c) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Government have initiated a total review of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and the working of the Board for Industrial and Financial Reconstruction (BIFR) with the intention to bring a new Bill in the Parliament.

Export Made by Visakhapatnam Export Processing Zone

437. DR. M. JAGANNATH : Will the Minister of COMMERCE be pleased to state :

(a) the details of units and their production capacity which have been allotted land in Visakhapatnam Export Processing Zone;

(b) the value of exports made by these units during each of the last three years;

(c) the details of units, if any, declared sick before they could start commercial production; and

(d) the steps taken by the Government to increase the exports from V.E.P.Z.?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) (a) and (b) 13 Industrial units have been allotted land/built up space in Visakhapatnam Export Processing Zone (VEPZ). Units are approved and allotted land and built up space in Export Processing Zones keeping in view factors like level of exports, and value addition projected. The units which have been allotted space broadly fall under the product groups of computer systems and fax paper rolls, ready made garments, pharmaceutical products, plastic goods, automobile wheels, beer etc. Exports from the Zone have commenced only in 1994-95. The value of exports made from VEPZ during 1994-95 and 1995-96 were of the order of Rs 40 lakhs and Rs 89 lakhs respectively.

(c) No units has been declared sick before commencement of commercial production.

(d) Steps taken to increase exports from Export Processing Zones include broadening of the area of activity to include trading re-export after re-packing/labeling, repairs, re-conditioning and re-engineering, higher access to the domestic market, flexible value addition norms and simplification of custom procedures. In addition, the Zone administration are also making efforts to attract industrial projects into the Zone through suitable publicity measures, addressing Indian Missions abroad, conducting Seminars with entrepreneurs, Chambers of Commerce etc.

HMT Expansion

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

(a) whether the Hindustan Machine Tools propose to expand its units.

(b) whether it also proposes to revive the units which have fallen sick.

(c) whether there is a need for introducing of modern technology in the HMT Units, and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d). HMT has taken steps to modernise its operations and improve the functioning of its weaker

units. The steps taken include locating joint venture partners for technology transfer, financial investments and modernisation etc.

Dues against State Electricity Boards

439 SHRI MANIKRAO HODLYA GAVIT : Will the Minister of COAL be pleased to state

(a) whether the Coal India Limited continues to face a financial crunch following failure of the State Electricity Boards to pay the coal bills.

(b) if so, the details of the dues outstanding against each SEB as on July 31, 1996; and

(c) the steps taken by the CIL to realise its dues outstanding against SEBs?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Yes, Sir.

(b) The details of dues outstanding against each State Electricity Board as on 31st July 1996 are given in the enclosed statement.

(c) Following steps have been taken by the Government/Coal India Limited to recover the outstanding dues from State Electricity Boards:

(i) Coal India Limited have been advised to supply coal to power utilities only against advance payment or Letter of Credit. Cash and Carry Scheme has been implemented with greater rigour since 1st June, 1995.

(ii) Recovery of dues by way of adjustment against energy bills is also being done in respect of DVC, BSEB, UPSEB, MSEB and WBSEB.

(iii) State Governments have been requested to persuade/enable SEBs to clear their outstanding dues at the earliest.

(iv) Recovery from Plan Assistance to NCT, Delhi towards dues to CIL and the Railways outstanding against BTPS was made in 1995-96. This is being continued for 1996-97.

(v) Umpires have been appointed for resolving the disputed dues between coal companies and State Electricity Boards.

STATEMENT

Coal sale dues of CIL against SEBs/Power Utilities as on 31.7.96

(Rs. in crores)

Name of SEBs/	Disputed	Undisputed	Total
1	2	3	4
1. Bihar State Electricity Board	21.38	63.90	85.28
2. Uttar Pradesh State Electricity Board	86.23	245.33	331.56
3. Punjab State Electricity Board	130.64	39.96	170.60

1	2	3	4
4. Tamil Nadu Electricity Board	57.41	50.69	108.10
5. Haryana State Electricity Board	81.84	33.01	114.85
6. Rajasthan State Electricity Board	19.97	15.67	35.64
7. Maharashtra State Electricity Board	378.97	101.40	480.37
8. Madhya Pradesh Electricity Board	19.80	61.75	81.55
9. Gujarat Electricity Board	23.80	124.95	148.75
10. West Bengal State Electricity Board	15.73	70.42	86.15
11. West Bengal Power Development Corpn.	13.34	65.44	78.78
12. Andhra Pradesh Electricity Board	4.44	35.37	39.81
13. Assam State Electricity Board	-	0.25	0.25
14. Karnataka Power Corporation Ltd.	5.23	8.02	13.25
15. Durgapur Project Ltd.	5.97	15.97	21.94
16. Damodar Valley Corporation	67.20	76.92	144.12
17. Delhi Electric Supply Undertaking	32.71	-3.91	28.80
18. Badarpur Thermal Power Station	189.84	159.45	349.29
19. National Thermal Power Corpn.	158.22	4.18	162.40
20. Calcutta Electric Supply Corpn.	1.56	6.28	7.84
21. Ahmedabad Electric Company	17.52	-0.71	16.81
22. Bombay Suburban Electric Supply	0.24	-0.35	-0.11
23. Others	7.57	9.84	17.41
Total	1339.61	1183.83	2523.44

MODVAT Scheme For Textile Industry

440. SHRI G. VENKATSWAMY : Will the Minister of FINANCE be pleased to state :

(a) whether MODVAT Scheme has been recently introduced for revival of textile industry; and

(b) if so, the salient features thereof?

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

(b) Salient features of the Scheme are as under :-

The Modvat Scheme, which provides for credit of excise duty paid on inputs (raw materials, component parts and consumables) and capital goods, has been extended to processed textile fabrics of cotton and man made fibres with effect from the 4th September, 1996. To facilitate availment of credit, basic excise duty has been imposed on such processed fabrics. As per the scheme, manufacturers of processed fabrics can avail credit of the excise duty or the additional duty of customs paid on yarn, dyes, chemicals, packaging materials and capital goods and utilise the credit for payment of excise duty on the processed fabrics. While composite mills having spinning, weaving and processing facilities within the same factory can avail the Modvat credit of the actual duty paid, textile processing units which procure

unprocessed fabrics and processes the same, has been allowed Modvat credit on the inputs on "deemed" basis.

In the case of 100% cotton fabrics (processed) of value not exceeding Rs.30 per square meter, basic excise duty has been imposed at the rate of 5% ad valorem. In addition such fabrics shall be liable to pay additional excise duty in lieu of sales tax at the rate of 5% ad valorem. In respect of other cotton fabrics (processed) as well as processed fabrics of man made fibres, basic excise duty has been imposed at the rate of 12% ad valorem. Such fabrics shall also be liable to pay additional excise duty in lieu of sales tax at the rate of 8% ad valorem.

The amount of deemed credit has been fixed as follows :

In the case of 100% processed cotton fabrics, an amount equal to fifty per cent of the basic excise duty payable on such fabrics is allowed as "deemed" credit. In the case of processed fabrics of man made fibres, an amount equal to seventy per cent of the basic excise duty payable on such fabrics is allowed as "deemed" credit. This deemed credit is in lieu of the duty paid on yarn, dyes, chemicals, consumables and packaging materials. The deemed credit can be availed without production of any duty paying document. As regards capital goods, Modvat credit is allowed on actual basis.

Scandal Unearthed in ITC

441. SHRI R. SAMBASIVA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether recently a scandal worth about rupees 350 crore has been unearthed by the Directorate of Enforcement;

(b) if so, the details thereof;

(c) whether his Ministry has failed to monitor on import and export made by I.T.C.;

(d) if so, the reasons therefor;

(e) whether the Government have fixed any responsibility for this scandal;

(f) if so, the details thereof; and

(g) the steps taken by the Government to check such scandals in future?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Enforcement Directorate in the Ministry of Finance has taken up investigations in the matter relating to suspected contraventions of the provisions of Foreign Exchange Regulation Act (FERA), 1973 by ITC, 26 premises of Calcutta, Bombay, Delhi, Hyderabad, Madras and Guntur have been searched on 30. 31.10.96 and 6.11.96 besides interrogation of some of the concerned Directors/Executive (both serving as well as retired) of the company, ten of whom have also been arrested under the provisions of FERA, 1973, and all of them are still under judicial custody. Investigations in this case are at preliminary stage.

(c) and (d). The monitoring of import and export performance of individual companies is not undertaken by this Ministry, except where specific export obligations have been undertaken against Duty Exemptions/reliefs on import of machinery or other inputs.

(e) and (f). Since the investigations are at preliminary stage at present, on conclusion of the same, appropriate action under FERA, 1973 will be taken, against all those who are found guilty.

(g) Enforcement Directorate maintains constant vigil and whenever any specific case/information comes to its notice, action, as is warranted under FERA, 1973 is taken.

Seizure of Mandrax

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

(a) the number of cases of seizure of Mandrax registered in Gujarat during each of the last two years; and

(b) the steps taken by the Government to check the illicit production and smuggling of Mandrax?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) As per information available, the number of cases of seizure of Mandrax in Gujarat during the last two years are as under :-

Year	No. of cases
1994	6
1995	3

(b) Instructions have been issued to all enforcement agencies to maintain the utmost vigil and step up enforcement efforts under the stringent provisions contained in the various Acts. Training is being imparted to officers to improve their effectiveness. Vehicles and communication equipment have been provided to enforcement agencies. BSF and Coast Guard, who are deployed on land and coastal borders, have been vested with the powers under the Customs Act to interdict narcotic drugs on the border in addition to the Central and State Government enforcement agencies empowered under the NDPS Act. Acetic Anhydride and N-acetylanthranilic Acid, which are important ingredients for illicit production of Methaqualone (Mandrax) have been declared as 'Controlled Substances' under the NDPS Act in 1993.

Export of Carpet

443. SHRI KRISHAN LAL SHARMA : Will the Minister of TEXTILES be pleased to state :

(a) whether the country's carpet export has registered an all times negative growth during the current year;

(b) if so, the details thereof and the main reasons for this steep fall in carpet export; and

(c) the specific measure being taken to improve the export of carpet?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b). No, Sir. Exports of carpets in value terms have shown an increase of about 5 % for the period April - August 1996 compared to the corresponding period of 1995-96. However the growth is less compared to the figures of 1995-96 which stood at 7.56%.

The decline in growth rate is attributed to the world wide economic recession which resulted in exports of low value carpets i.e. Gabba and Indo-Nepalese quality for which unit value realization is very low.

(c) The specific measures taken to improve the export to carpet include: sponsoring of sales-cum-study teams abroad; participation in international fairs and exhibitions; organisation of buyer-seller's meets; overseas publicity and publication of catalogues; conducting of seminars and workshop; import of raw wool at nominal import duty and organisation of international Carpet Expo-annually in India.

Interference in the functioning of CBI

444. SHRI UTTAM SINGH PAWAR : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the attention of the Government has been drawn to the news item captioned "CBI Counsel Quits in protest" as appeared in Hindustan Times dated 1st October, 1996; and

(b) if so, the facts and the reaction of the Government thereon?

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

(b) As only summons, not warrants to appear before the Court had been issued, the Government did not see any harm in not opposing the bail application.

Pending Court Cases

445. SHRI K.D. SULTANPURI : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the number of criminal cases pending in High Courts and the Supreme Court during the last five years; and

(b) the steps being taken for early disposal of these cases?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) The available information is given in statement.

(b) The Law Commission and various Committees have gone into the question of pendency of cases in Courts. The Arrears Committee, also known as Malimath Committee, submitted its report in this regard in 1990. Based on its recommendations, a Conference of the Chief Ministers and Chief Justices of the High Courts was held under the Chairmanship of the Prime Minister in December, 1993 to consider the problem of arrears in Courts. The Resolutions adopted by the Conference were commended to all the State Governments/High Courts/Union Territory Administrations for necessary action. Progress of implementation in this regard is being reviewed from year to year in the Conference of Law Ministers, the last of such reviews was held in Hyderabad during November, 1995. In addition, a Centrally Sponsored Scheme has been introduced for providing infrastructural facilities for the Judiciary. This will go a long way in supplementing the resources of the States/Union territories in providing the basic infrastructural facilities. Further, it has been decided to create 50 new posts of Permanent/Additional Judges in the various High Courts for the early disposal of pending cases.

STATEMENT

No. of Criminal Cases Pending in the High Courts in India

S.No.	Name of High Court	1991	1992	1993	1994	1995	
1	2	3	4	5	6	7	
1.	Allahabad	105.462	108.498	116.337	125.984	127.985	(As on 30.6.95)
2.	Andhra Pradesh	2.169	2.992	3.589	5.026	5.744	
3.	Bombay	12.324	13.315	12.259	13.392	14.681	
4.	Calcutta	16.362	17.814	19.330	21.338	21.632	
5.	Delhi	6.319	7.604	8.368	8.235	8.600	(As on 30/6/95)
6.	Gauhati	3.893	3.994	3.832	4.029	3.915	
7.	Gujarat	14.603	8.261	10.244	10.584	10.531	(As on 31/3/95)
8.	Himachal Pradesh	2.533	2.802	3.282	3.069	2.944	
9.	Jammu & Kashmir	4.660	4.578	4.983	6.347	4.649	
10.	Karnataka	2.676	2.527	3.236	3.737	5.009	
11.	Kerala	2.940	3.879	5.389	6.036	6.174	
12.	Madhya Pradesh	22.602	26.100	29.045	28.713	N.A.	
13.	Madras	25.767	30.179	33.042	32.539	22.206	
14.	Orissa	4.895	4.946	4.132	4.180	4.789	
15.	Patna	10.726	12.023	17.776	21.731	21.692	

1	2	3	4	5	6	7
16.	Punjab & Haryana	12,239	13,834	18,379	23,491	29,684
17.	Rajasthan	15,333	17,157	16,918	17,925	19,549
18.	Sikkim	2	4	7	2	6
	Total	265,505	280,507	310,148	336,358	309,790

Pendency of Cases in the Supreme Court

Year	Admission Matters	Regular Matters	Total
1991	60,354	44,582	1,04,936
1992	62,316	35,220	97,536
1993	37,549	21,245	58,794
1994	30,967	21,983	52,950
1995 (As on 1.12.95)	15,811	21,357	37,168

Tax Holiday

446. SHRI KASHIRAM RANA
SHRIMATI BHAVANA BEN DEVRAJ BHAI
CHIKHALIA :

Will the Minister of FINANCE be pleased to state :

(a) whether any proposal from Government of Gujarat for reconsidering the backwardness of Taluka instead of District as a whole, as a parameter for sanctioning of Tax Holiday under section 80-IA of Income Tax Act, 1961 is pending with the Union Government;

(b) if so, the stage at which this proposal is pending and

(c) the time by which it is likely to be decided?

THE MINISTER OF FINANCE (SHRI P CHIDAMBARAM) : (a) Yes, Sir

(b) and (c). A Study Group was constituted in the Ministry of Finance to examine the feasibility of this proposal while identifying the backward areas. The report of the Study Group is under the consideration of the Government.

[Translation]

Cases Under Income Tax Tribunals

447. SHRI VIJAY KUMAR KHANDELWAL : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the year-wise details of the cases pending with the Income Tax Tribunal for the last three years;

(b) the number of cases pending in respect of which Government has appealed; and

(c) the amount of income-tax due in respect of pending cases?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) A statement is enclosed.

(b) The number of cases pending before the Income-tax Appellate Tribunal in respect of which Government has appealed was 1,56,040 as on 1.10.1996.

(c) The Income-tax Appellate Tribunal does not maintain any statistics regarding tax effect involved on the appeals filed before it.

STATEMENT

Year-wise Details of the cases pending with the Income Tax Appellate Tribunal for more than 3 years.

Year	Appeals	Ref. Applications	Total
1	2	3	4
1975	1	-	1
1976	1	-	1
1979	5	1	6
1980	7	-	7
1981	13	-	13
1982	31	-	31
1983	147	-	147
1984	117	1	118
1985	189	4	193
1986	306	2	308
1987	606	3	609
1988	2557	74	2631

1	2	3	4
1989	4176	4	4180
1990	15236	61	15297
1991	32419	75	32494
1992	44916	501	45417
1993	48143	58	48201
Total	148870	784	149654

Heavy Engineering Corporation

448 SHRI RAM TAHAL CHAUDHARY : Will the Minister of INDUSTRY be pleased to state :

(a) whether there is no demand for goods being manufactured in Heavy Engineering Corporation;

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

(c) the steps taken by the Government to remedy the situation in this regard?

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

(b) and (c). Though there is adequate demand for goods being manufactured by Heavy Engineering Corporation, the company is facing constraints due to its BIFR reference, shortage of working capital and severe composition from domestic and international competitors.

Government is assisting the company by giving financial support, extending bank guarantees for working capital and in getting orders from other public sector undertakings, etc.

Jewellerys And Silver Missing From Strong Room of I.T. Deptt.

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

(a) whether a large quantity of jewellerys and silver has been recently stolen from the strong room of Income Tax Department located in Agra, Uttar Pradesh;

(b) if so, the details thereof;

(c) whether the Government have investigated this matter; and

(d) if so, the action taken by the Government against the guilty persons?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Yes, Sir. In May 1995 theft of the following items was noticed from strong room of the Income Tax Department at Agra :-

- (1) Parcle No. 56 - Box containing silver, bullion and gold jewellery valued at Rs. 4.95 Lacs belonging to Shri Ram Babu Maheswari.

- (2) Packet No.59 - Box containing gold jewellery valued at Rs. 4.72 Lacs belonging to M/s Sunrise Group of Bhavnagar.

(c) and (d). The matter is under the investigation of the Central Bureau of Investigation.

[English]

Appointment of Director in State Bank of Travancore

450. SHRI P.C. THOMAS : Will the Minister of FINANCE be pleased to state :

(a) the date since when the post of non-official Director of State Bank of Travancore is lying vacant and the reasons therefor;

(b) whether the Associate Banks' Officers' Association has been making requests for filling up the post; and

(c) the time by which the post is likely to be filled up?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). At present no post of non-official director on the board of State Bank of Travancore is lying vacant. However, the post of non-workman director on the board of the Bank has been vacant since 14th December, 1994. Action has been initiated to fill up the post.

Vacant Posts in Law Commission

451. SHRI JAI PRAKASH (HARDOL) : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Law Commission is working on ad-hoc basis;

(b) if so, the reasons therefor;

(c) the number of posts of Legal Experts lying vacant in this Commission and since when;

(d) the reasons for not filling up of these vacancies;

(e) whether the Government propose to accord the status of Constitutional body to this Commission; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b). The Law Commission is constituted every three years. The present Law Commission was constituted for a period of three years from 1.9.1994 to 31.8.1997.

(c) and (d). The Commission consists of a Chairman and three full time Members. All these posts have been filled up.

(e) No. Sir.

(f) No need has been felt to give Constitutional status to the Law Commission.

[Translation]

Raw Cotton Monopoly Procurement Scheme

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

(a) whether any proposal to give long term extension to Maharashtra Raw Cotton Monopoly Procurement Scheme is under the consideration of the Government.

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

(c) if no action is taken so far the reasons for delay?

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

(a) Yes, Sir.

(b) The Government of India have agreed to extend the Raw Cotton Monopoly Procurement Scheme in Maharashtra for two years, from 1st July, 1996 to 30th June, 1998 with the stipulation that there will be no financial commitment on the part of Government of India and that, in the event of cotton prices falling below minimum support price (MSP) levels, no purchases of cotton will be made by the Cotton Corporation of India in Maharashtra during this period.

(c) Does not arise.

[English]

Bank Loan to Non-Existing Persons

453. SHRI RAMSAGAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has recently sought detailed information from Faridkot-Bhatinda Kshetriya Gramin Bank for loaning lakhs of rupees to non-existing persons;

(b) if so, whether the bank has since furnished the information to the RBI;

(c) if so, the details thereof, and

(d) the action taken thereon?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Yes, Sir. National Bank for Agriculture & Rural Development (NABARD) has reported that during the recovery proceedings it came to the notice of the management of Faridkot-Bhatinda Kshetriya Gramin Bank that some borrowers were not accepting liability outstanding in their names. The matter was investigated by the bank and it has reported that in 76 cases involving loan amount of Rs.6.52 lakhs, there was a doubt of misutilization/misappropriation. Some borrowers were not available at the given addresses.

(d) The Branch Manager concerned was advised by Bank Management to hand over charge of the branch to another officer. However, he was advised to make recovery only in the above mentioned 76 cases and report the progress of the recovery to the head office on a daily basis. The Bank has decided that efforts should be continued to recover the money involved in the fraud. So far, bank has recovered Rs.58,000/- from one supplier and Rs.27,000/- from the Branch Manager involved in the case. The bank has also decided that disciplinary action together with criminal proceedings by taking the help of district authorities may be initiated.

Depletion of the weight of Railways Wagons

454. SHRI SANAT KUMAR MANDAL : Will the Minister of COAL be pleased to state :

(a) whether the Coal India Ltd. (CIL) and the Indian Railways are incurring losses to the tune of Rs 700 crore a year because of the depletion of the weight of the railway wagons;

(b) if so, the details thereof, and

(c) the remedial steps taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c). According to the information received from the Ministry of Railways, the tare weight of wagons is measured at the time of periodic overhauls in the railway workshops and discrepancy, if any, is corrected. The railways feel that the difference in the printed and actual tare weight in between the two overhauls is not significant.

Coal India Limited, however, feels that the difference between the printed and actual tare weight of wagons is not insignificant. This difference results in a substantial loss to it. Coal India Limited has taken up the matter with the concerned railway officials.

Export of Cars & Jeeps

455. SHRI SOUMYA RANJAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have formulated any scheme to promote the export of cars and jeeps, and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). There is no exclusive scheme formulated to promote the export of cars and jeeps. However, promotion of exports of these items, like other goods in engineering sectors, has been the constant endeavour of the Ministry. Measures taken in this regard consist of various incentives provided in the Export-Import Policy. They are : Duty Exemption Scheme, Export Promotion Capital Goods Scheme, Special Import Licence, Duty Drawback Scheme and Assistance from Market Development Fund

etc. Engineering Export Promotion Council also provide item specific promotional support for better access into the world market. Because of these export promotion measures/efforts, the exports of cars and jeeps have been showing rising trend.

Losses Due to Strike For Bonus

456. DR. MURLI MANOHAR JOSHI :
SHRI AJAY CHAKRABORTY :

Will the Minister of FINANCE be pleased to state :

(a) the names of Ministries/Departments together with staff strength which went on strike on the question of enhancement of upper limit of bonus in October 1996. State-wise;

(b) the approximate loss to the Government in terms of loss of mandays; and

(c) the reasons for not taking a consolidated decision on the matter?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The requisite information is not Centrally maintained.

(c) Originally, the proposal for removing eligibility wage ceiling for grant of bonus was received from the Ministry of Railways. The Government, therefore, took a decision in their favour. When demands were raised by the employees of other Ministries/Departments it was decided to extend the same benefit to all Group C and D employees of the Central Government.

Manufacturing of Electric Cars

457. PROF. P.J. KURIEN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to encourage manufacturing of Electric Car

(b) if so, the details thereof

(c) the permission so far given and the proposal pending with the Union Government; and

(d) the details of incentives, if any, being given in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. Government's policy is to encourage manufacture of electric cars as such cars are emission friendly and conserve fossil fuel. Fiscal incentives are being provided to such vehicles.

(c) Manufacture of all types of cars is presently delicensed. Before delicensing, Government had approved the following proposals for manufacture of electric cars :

(i) Eddy Current (India) Ltd., Kerala

(ii) Pankaj Dubey of New Delhi.

The proposal of M/s Maini Amerigon Car Company (P) Ltd. USA, for setting up joint venture to manufacture electric powered car has been approved recently.

(d) The Ministry of Non-Conventional Energy Sources grants a subsidy of Rs.2 lakhs for each battery operated passenger vehicle (4 wheeler).

Central Grants to States

458. SHRI BHAKTA CHARAN DAS :
SHRI GORDHANBHAI JAVIA :
SHRI M. SELVARASU :

Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have released the full amount/grants sanctioned to the States particularly Orissa State for the annual plan of 1995-96 and 1996-97 till date;

(b) if so, the details thereof;

(c) whether some State Governments also sought extra financial assistance during the last three years, till date.

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

(e) the amount actually allocated by the Union Government during the above period; and

(f) the reasons for not provided full amount sought by the State Governments?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The Central Plan assistance consists of normal Central assistance, additional Central assistance for externally aided projects, Central assistance for Centrally sponsored schemes transferred to States and special Central assistance for Area Programmes. The States are given funds under above items as per their sanctions/ allocation.

Statement-I showing the amount sanctioned to States for the above said types of Central assistance and the amount released thereagainst to them is enclosed

(c) to (f). The annual Plans of States are finalised by the Planning Commission to be funded by States own resources, Centrally allocated resources like market borrowings, negotiated loans and by Central assistance. The annual Plans are fully funded.

The States do approach the Central Government for additional assistance due to special circumstances. The Central Government, keeping in view its resource constraints and financial implications, provide additional assistance in very special cases. Based on the information available in the Ministry of Finance, Statement-II showing details of requests received from the State Governments by this Ministry during 1993-94 to 1996-97 and the amount provided thereagainst to them till 20.11.1996 is enclosed.

STATEMENT-I

1995-96

(Rs. in crores)

Statement showing Central assistance sanctioned to States and amount released thereagainst for the Annual Plans 1995-96 and 1996-97 (till date)

States	Normal Central Assistance			Special Plan Loan		Addl C A for Centrally Sponsored		Schemes		Spl C A for Hill Area		Spl C A for Border Area		Other Area Spl Programme		Total	
	Sanct- ioned	Relea- sed	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1 Andhra Pradesh	777.50	769.73				770.00	444.10	18.16	2.40							1565.86	1216.23
2 Arunachal Pradesh	413.80	409.66						0.51								414.31	409.66
3 Assam	1074.61	1065.11				80.00	2.81	6.55		46.32	46.32	4.12	4.12	5.00	5.00	1216.60	1123.36
4 Bihar	1053.86	1008.32				150.00	32.02	28.32								1232.18	1040.34
5 Goa	58.34	56.75				13.00	0.11			2.34	2.17					73.68	59.03
6 Gujarat	331.08	322.77				133.88	106.12	10.45				8.58	8.58			483.99	437.47
7 Haryana	215.37	212.77				190.00	87.52	7.60								412.97	300.29
8 Himachal Pradesh	411.92	407.79				55.39	40.16	2.92	1.13					2.25	2.25	472.48	451.33
9 J & K	1347.75	1341.73		44.00	44.00	10.00	6.51	1.71				20.68	20.68			1424.14	1412.92
10 Karnataka	379.15	375.36				448.80	145.76			11.30	10.42					839.25	531.54
11 Kerala	427.00	421.44				200.00	29.37	3.20		9.52	9.52					639.72	460.38
12 Madhya Pradesh	666.00	660.60				120.00	67.69	13.28								796.28	728.29
13 Maharashtra	570.24	561.53				1210.00	721.20	19.84		15.28	15.20					1815.36	1297.93
14 Manipur	272.40	263.27				5.00		0.85	0.07							278.25	263.34
15 Meghalaya	227.91	225.63						0.80				3.95	3.95			232.66	229.58
16 Mizoram	248.37	245.89				15.00		0.66				2.73	2.73			266.76	248.62
17 Nagaland	250.44	247.94				15.00		1.90								267.34	247.94
18 Orissa	438.34	433.95		55.00	55.00	260.00	142.33	12.06	0.06							765.40	631.34
19 Punjab	217.92	210.74				155.00	96.75	2.47				8.54	8.54	3.00	3.00	386.93	319.03
20 Rajasthan	481.54	476.73				350.00	301.54	5.00				85.63*	85.63*			922.17	863.90
21 Sikkim	173.51	171.70						0.68								174.17	171.70
22 Tamil Nadu	667.36	660.69				950.00	320.60	9.33		27.59	27.59			3.00	3.00	1657.28	1011.88
23 Tripura	295.22	292.27						1.03	0.93			10.96*	10.96			307.21	304.16

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
24.	Uttar Pradesh	1503.17	1488.25	-	-	1020.00	369.71	60.25	53.00	225.00	225.00	-	-	-	-	2808.42	2135.96
25.	West Bengal	618.78	584.42	-	-	400.00	85.75	7.58	-	22.23	22.23	30.81	30.81	1.12	1.12	1080.52	724.33
	Surveys & Studies	-	-	-	-	-	-	-	-	0.35	0.09	-	-	-	-	0.35	0.09
	Western Ghat Sectt	-	-	-	-	-	-	-	-	0.10	0.08	-	-	-	-	0.10	0.08
	Total	13121.58	121915.04	99.00	99.00	6551.07	3000.05	215.13	57.59	360.03	358.62	176.00	176.00	14.37	14.37	20537.18	16620.67

* Including Rs. 60.00 crores for I.G.N.P.

STATEMENT-I

1996-97

(Rs. in crores)

Statement showing Central assistance sanctioned to States and amount released thereagainst for the Annual Plans 1995-96 and 1996-97 (till date)

States	Normal Central		Special Plan Loan		Addl C A for		Centrally Sponsored		Spl. C A for Hill		Spl. C A for Border		Other Area Spl		Total		
	Assistance				E A P		Schemes		Area\Western Ghat		Area		Programme				
	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	Sanct- ioned	Relea- sed	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Andhra Pradesh	918.02	616.07	-	-	586.00	447.09	18.16	-	-	-	-	-	-	-	1522.18	1063.16
2	Arunachal Pradesh	445.35	266.77	-	-	-	-	0.51	-	-	-	-	-	-	-	445.86	266.77
3	Assam	1100.50	667.48	-	-	80.00	0.73	6.55	-	46.32	6.09	3.94	-	-	-	1237.31	674.30
4	Bihar	1258.07	696.75	-	-	288.39	43.74	28.32	-	-	-	-	-	-	-	1578.78	740.49
5	Goa	60.89	38.10	-	-	9.95	1.31	0.36	-	2.32	0.70	-	-	-	-	73.52	40.11
6	Gujarat	383.66	237.72	-	-	117.91	67.71	10.45	-	-	-	8.21	2.74	-	-	520.23	308.17
7	Haryana	228.54	144.48	-	-	349.00	92.57	7.60	-	-	-	-	-	-	-	585.14	237.05
8	Himachal Pradesh	459.87	279.42	-	-	37.33	21.65	2.92	-	-	-	-	-	-	-	500.12	301.07
9	J & K	961.00	689.79	44.00	29.20	10.00	6.08	2.00	-	-	-	19.79	6.60	-	-	1036.79	731.67
10	Karnataka	454.74	268.41	-	-	437.42	131.45	6.93	-	11.22	3.36	-	-	-	-	910.31	403.22
11	Kerala	485.08	294.83	-	-	110.52	12.92	3.20	-	9.46	2.84	-	-	-	-	608.26	310.59
12	Madhya Pradesh	823.33	453.72	-	-	157.69	60.94	13.28	-	-	-	-	-	-	-	994.30	514.66
13	Maharashtra	667.02	407.52	-	-	1261.60	1000.91	19.84	-	15.17	4.55	-	-	-	-	1963.63	1412.98
14	Manipur	326.30	187.19	-	-	5.00	-	0.85	-	-	-	-	-	-	-	332.15	187.19
15	Meghalaya	264.37	157.76	-	-	-	-	0.60	-	-	-	3.78	1.26	-	-	268.75	159.02

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
16.	Mizoram	263.24	158.50	-	-	-	-	0.66	-	-	-	2.61	0.87	-	-	266.51	159.37
17.	Nagaland	270.02	161.84	-	-	15.00	-	1.90	-	-	-	-	-	-	-	286.92	161.84
18.	Orissa	515.60	337.35	55.00	36.40	329.00	126.79	12.06	-	-	-	-	-	-	-	911.66	500.54
19.	Punjab	238.51	949.76	600.00	400.00	171.82	125.37	2.47	-	-	-	8.17	2.72	-	-	1020.97	1077.85
20.	Rajasthan	570.94	332.93	-	-	350.00	118.54	5.00	-	-	-	84.52*	38.17%	-	-	1010.46	479.64
21.	Sikkim	188.33	114.38	-	-	-	-	0.66	-	-	-	-	-	-	-	188.99	114.38
22.	Tamil Nadu	752.50	469.35	-	-	900.00	392.56	9.83	-	27.53	8.26	-	-	-	-	1689.86	870.17
23.	Tripura	336.59	195.29	-	-	15.00	-	1.03	-	-	-	10.49	3.50	-	-	363.11	198.79
24.	Uttar Pradesh	1841.41	1141.55	-	-	900.00	478.41	60.25	-	217.07	56.25	-	-	25.71	3.33	3044.44	1679.54
25.	West Bengal	859.25	461.95	-	-	942.30	94.93	7.58	-	22.23	11.11	29.49	14.74	-	-	1860.85	582.73
Surveys & Studies		-	-	-	-	-	-	-	-	0.59	-	-	-	-	-	0.59	0.00
Western Ghat Sectt		-	-	-	-	-	-	-	-	0.09	-	-	-	-	-	0.09	0.00
Total		14673.13	9318.91	699.00	465.60	7073.93	3223.70	223.01	0.00	352.00	93.16	171.00	70.60	25.71	3.33	23217.78	13175.30

* Including Rs. 60.00 crores for I N G P

\$ Including Rs. 30.00 crores for I N G P

STATEMENT-II

Additional Financial Assistance Sought by States and the amount Provided by the Ministry of Finance during 1993-94 to 1996-97 (upto 20.11.1996)

S. No.	State	Amount (Rs. in crores)	Purpose	Amount provided (Rs. in crores)
1	2	3	4	5
A 1993-94				
1.	Arunachal Pradesh	200.00	For proper development of roads.	Nil
2.	Haryana	200.00	To liquidate the outstandings of NTPC.	Nil
3.	Himachal Pradesh	270.00	For conversion of APA of Rs. 270.00 crores into outright grant or long term soft loan as also additional Central assistance of Rs. 200 crores for 1993-94 and Rs. 600 crores during 1994-95.	268.74 as advance plan assistance.
4.	J & K			
	(i)	178.00	Reimbursement of balance claim of security related expenditure of Rs. 178.00 crores.	112.50
	(ii)	150.72	Arrangements for advance payment for security related expenditure estimated at Rs. 150.72 crores during 1993-94	
	(iii)	-	To provide additional financial assistance to enable to meet the balance deficit and protect the 1993-94 Plan outlay.	
	(iv)	160.00	Special allotment of Rs. 160.00 crores to meet the expenditure on the reconstruction of community infrastructure and other utilities damaged by the militants in the State.	Nil
5.	Kerala	150.00	Medium term loan.	Nil
6.	Manipur	62.79	To cover the opening deficit by an assistance either in the form of medium term loan or grants.	62.79 given as advance plan assistance.
7.	Meghalaya			
	(i)	91.00	To provide term loan to cover deficit of 1993-94 so as to avoid overdraft during the year.	48.87 provided as advance plan assistance
	(ii)	42.00	To convert ways and means advance into grant.	Not agreed to.
8.	Nagaland			
	(i)	91.91	For conversion of advance plan assistance into one time grant	91.91 was provided as advance plans assistance which is 90% grant and 10% loan.
	(ii)	55.07	To clear the pending bills.	Nil
	(iii)	26.61	For implementation of 3rd Pay Commission Report of the State.	Nil
9.	Orissa			
	(i)	699.57	For implementation of action plan for drought prone area of State for the period 1993-94 to 1997-98.	Nil

1	2	3	4	5
	(ii)	50.00	Addl. Market Borrowings.	15.00
10.	Tripura			
	(i)	50.00	To cover gap in resources for the year 1993-94.	Nil
	(ii)	100.00	For meeting the repayment liability of the years 1993-94 and 1994-95 by the State Government.	Nil
11.	Uttar Pradesh			
	(i)	250.00	Additional Market borrowings to clear the overdues of Power Finance Corporation.	118.00
	(ii)	24.00	Additional assistance for debt relief to non-rural weavers.	24.00 was provided as advance assistance adjusted at the close of the year 1993-94.
B	1994-95			
1	Andhra Pr.	250.00	For implementing the balance component of AP Irrigation-II Project.	Nil
2.	Assam			
	(i)	220.00	Additional market borrowing	30.00
	(ii)	300.00	Advance plan assistance for covering the closing deficit of 1993-94.	Nil
3	Himachal Pradesh			
	(i)	550.00	Against outstanding loans of Rs. 1,100.00 crores due from neighbouring States on account of share of energy from Bhakara and Beas Management Board (BBMB) system and supply of power to these States.	Nil
	(ii)	100.00	To give effect to the Supreme Court's order to enhance wages to all the daily wages employees in Government Sectors in the State.	Nil
	(iii)	268.74	To convert the advance plan assistance of Rs. 268.74 crores provided during 1993-94, as outright grant or a long term loan.	Nil
4.	J and K			
	(i)	50.00	Advance Plan Assistance to cover budgetary deficit	Rs. 973.00 (as special plan assistance)
	(ii)	733.00	Rescheduling of Rs. 733.00 crores payable during the year 1994-95 without effecting recoveries.	
	(iii)	185.00	For Security related expenditure.	96.55 released by M.H.A. subsequently.
5.	Kerala	100.00	Additional market borrowing.	50.00

1	2	3	4	5
6.	Manipur			
	(i)	35.00	To liquidate the outstanding liabilities.	Nil
	(ii)	119.00	Special package for economic development of Manipur.	Nil
	(iii)	10.00	Request for various schemes drawn up by the State Government for combating militancy.	Nil
7.	Meghalaya	50.00	Ways and Means Advance/short term loan to clear the overdraft.	Nil
8.	Nagaland			
	(i)	152.75	To cover opening deficit, D.A. on Central Government pattern etc.	12.00 as plan-loan and 18.00 additional central assistance
	(ii)	80.00	Advance Plan Assistance/Ways and Means Advance to tide over acute financial crisis of the State.	
9.	Orissa	250.00	Medium term loan to bridge gap in resources for funding the State's Annual Plan 1994-95.	Nil
10.	Punjab	310.00	To bridge the gap in resources for the Annual Plan 1994-95 and completion of major Power Projects.	Nil
11.	Tripura	150.00	Request for Rs. 50 crores of grant, Rs. 100 crores interest free loan and 10% additional Central assistance.	Nil
12.	Uttar Pradesh			
	(i)	51.50	For providing 50% of the expenditure of the local cost of Anpara 'B' Thermal Power Project.	Nil
	(ii)	24.00	Additional Central assistance against Advance Plan Assistance given in 1993-94 for debt relief to non-rural weavers.	Nil
C. 1995-96				
1.	Arunachal Pradesh	20.20	For construction of Capital Project.	2.00
2.	Andhra Pradesh			
	(i)	636	Additional Central Assistance (ACA) of Rs. 636 crores as additional Plan support for Annual Plan 1995-96.	Nil
	(ii)	150	Conversion of Ways and Means advance of Rs. 150 crores into Term Loan.	Nil
	(iii)		ACA to compensate the State for revenue losses due to the implementation of Prohibition Policy and also due to implementation of Rs. 2 per Kg. Rice Subsidy Scheme.	Nil
3.	Assam			
	(i)	50.00	One time grant for Bodoland Autonomous Council.	Nil

1	2	3	4	5
	(ii)	136.00	To covert Ways and Means advance given in April, 1995 into term loan.	Nil
4.	Himachal Pradesh	516.00	To meet State's financial requirements on account of closing deficit of Rs. 416.00 crores for 1994-95 and Rs. 100 crores on account of liability due to Supreme Court Judgement on enhancement of wages of daily-wage employees in the Government Sectors in the State.	Nil
5.	J and K			
	(i)	71.00	For meeting the requirement of the State Government for interim relief to their employees on Central pattern.	42.34 provided as additional assistance.
	(ii)	67.00	To provide additional grants to the State Government for import of power.	Nil
	(iii)	155.21	Reimbursement of balance amount out of Rs. 251.21 crores related to security items.	143.16
6.	Manipur	18.50	To strengthen State Police Force.	Information is being collected and shall be laid on the Table of the House.
7.	Mizoram	11.44	Special grant-in-aid to the extent of Rs. 11.44 crores which is equal to the shortfall in budget estimates of the year 1995-96 as against the estimates of Tenth Finance Commission for share in Central taxes.	Nil
8.	Orissa	2100.00	To write off loans.	Nil
9.	Punjab	259.00	To expedite major Power Projects including Ranjit Sagar Dam.	No additional Central assistance was given. However, as a result of the decision of Govt. of India to waive of repayment of Principal and Interest during 1995-96 on account of Special Term Loan extended to Punjab during 1984-85 to 1993-94, State's resources went up by Rs. 291 crores. This increase was after taking into account non-availability of Special Plan Loan of Rs. 600.00 crores in 1995-96 to the State Government.

1	2	3	4	5
10.	Tripura	18.95	To meet gap between the Tenth Finance Commission (TFC) award and estimated devolution from the Government of India for 1995-96.	Nil
11.	Uttar Pradesh			
	(i)	31.00	For waiver of loans of weavers of the non-rural areas.	Nil
	(ii)	772.54	For clearing the dues of Uttar Pradesh State Electricity Board (UPSEB) to Rural Electrification Corporation (REC) upto March, 1995 on account of Rural Electrification Programme in the State	Nil
1996-97				
1	Andhra Pradesh			
	(i)	636	Additional Central Assistance (ACA) of Rs. 636 crores as additional Plan support for Annual Plan, 1995-96.	Not agreed to.
	(ii)	150	Conversion of Ways and Means advance of Rs. 150 crores into Term Loan.	Not agreed to.
	(iii)	-	ACA to compensate the State for revenue losses due to the implementation of Prohibition Policy.	Not agreed to.
2.	Bihar	-	Special Central assistance for completion of four irrigation projects.	The State Government has been advised to take up the matter with the Planning Commission
3	Assam			
	(i)	326.00	To cover the excess expenditure incurred by the State Government on Internal Security measures in the State during 1990-95.	Not agreed to.
	(ii)	30.00	For taking relief and rehabilitation measures for the arson victim families in the recent ethnic disturbances in Kokrajhar and Bongaigaon districts of the State of Assam.	Under consideration.
	(iii)	500.00	To improve budgetary resources of the State.	Nil
	(iv)	1000.00	Construction of the permanent Capital of Assam.	State Government has been requested to take up the matter with Planning Commission
4.	Haryana			
	(i)	300.00	To convert medium term loan of Rs. 300 crores released during 1995-96 as 50% loan and 50% grant.	Not agreed to.

1	2	3	4	5
	(ii)	600.00	For compensation of Revenue loss for introduction of Prohibition in the State	Not agreed to
5.	Himachal Pradesh			
	(i)	500.00	Request for long term soft loan of Rs. 500.00 crores.	Not agreed to.
	(ii)	800.00	For an outright grant or a long term loan to meet the recurring liabilities due to Supreme Court's Judgement as well as Punjab Pay Scale revisions. etc	Under consideration.
6.	J and K			
	(i),	378.50	To release the funds on account of special plan assistance and special plan loan at the level of 1995-96.	-do-
	(ii)	351.94	To provide special financial assistance to bridge the uncovered gap reflected by the BE 1996-97.	-do-
	(iii)	67.94	To defer recovery of Power dues through the mechanism of Central appropriation during the year 1996-97	Since Annual Plan of the State Governments for the current financial year (1996-97) have yet to be finalised, a view on these requests will be taken at appropriate time.
7.	Manipur			
	(i)	40.00	For release of Rs. 40 crores as one time financial assistance as special allocation for National Games-97 instead of releasing the amount in 1996-97 & 1997-98.	The Ministry of Human Resource Development have sanctioned a state level training complex with Central assistance of Rs. 131.00 lakhs. A sum of Rs. 87.50 lakhs has already been released for this purpose.
	(ii)	120.00	For release of further Central assistance for the State Capital Project.	Not agreed to.
8.	Mizoram	45.00	Long term loan to cover the State's opening deficit of the year 1996-97.	Not agreed to.
9.	Nagaland			
	(i)	1.25	For carrying out the land slide studies of Kohima town for Geo-Environmental studies.	Forwarded to Planning Commission for consideration.
	(ii)	55.07	To clear the pending bills of workdone but payment not yet made by the State Government due to financial crunch of the State.	Under consideration.

1	2	3	4	5
	(iii)	19.34	To make good the shortfall of Rs. 19.54 crores due to the difference in estimates of share of Central taxes as made by the Tenth Finance Commission and share of Central Taxes as provided in the Central Budget 1995-96.	Not agreed to.
	(iv)	18.00	Revalidation of the Special Plan Loan of Rs. 18 crores (out of the special plan loan of Rs. 30 crores) which was adjusted against the additional Central assistance of an equal amount.	Not agreed to.
	(v)	225.98	Write off of Rs. 225.98 crores of Central loans to the State.	Not agreed to.
10.	Punjab	250.00	For completion of Ranjit Sagar Hydro-electric Project (Thien Dam Project)	Not agreed to.
11.	Uttar Pradesh	200.00	Additional funds as W and M advance for clearance of pending bills of sugarcane growers	Not agreed to.

[Translation]

Prices of coal

459. PROF. PREM SINGH CHANDUMAJRA :
KUMARI UMA BHARATI :
SHRIMATI SUSHMA SWARAJ :
SHRI RAVINDRA KUMAR PANDEY :
SHRI SULTAN SALAHUDDIN OWAISI :
SHRI SANDIPAN THORAT :

Will the Minister of COAL be pleased to state :

(a) whether the Government have raised the prices of coal of all grades recently;

(b) if so, the percentage of the said price rise in respect of the different grades of coal, grade-wise;

(c) the reasons for the said hike in the prices of coal;

(d) the number of times and extent of increase made in the prices of different grades of coal during the last two years;

(e) the likely impact of such price rise on power, cement and steel industry; and

(f) the steps taken by the Government to provide superior quality of coal to these industries?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) No, Sir. The Government has not raised the prices of coal recently.

Pricing of coking coal and A, B and C grades of non-coking coal has been deregulated by the

Government with effect from 22.3.96. Accordingly, the Coal India Limited (CIL) have recently revised the prices of coking coal and A, B and C grades of non-coking coal on 20.10.96.

(b) The details of percentage increase in prices of coking coal, semi-coking coal and A, B and C grades of non-coking coal effected by CIL as on 20.10.96 over the prices fixed on 1.4.96 are given in the enclosed Statement.

(c) The prices of the coking coal and A, B and C grades of non-coking coal have been increased to compensate for the increase in all input costs.

(d) The Government has not revised the administered prices of coal since 16.6.94 except that the prices of D.E.F and G grades of non-coking coal produced in Western Coalfields Limited were revised with effect from 22.3.96 raising them upto the existing grade price of Singareni Collieries Company Limited. Subsequent to deregulation of pricing of coking coal and A, B and C grades of non-coking coal, CIL has increased the prices of these deregulated varieties with effect from 1.4.96 and 20.10.96. The actual increases in prices of coal on 1.4.96 and on 20.10.96 have been 16% and 10% respectively.

(e) and (f). The likely impact of the recent price increase made by CIL on 20.10.96 on power, cement and steel industries are as under :

Power	Rs. 0.04 per Kilowatt
Cement	Rs. 16.78 per tonne.
Steel	Rs. 152.70 per tonne.

The steps taken by the CIL to supply superior quality of coal to power, steel, cement, railways and defence sectors are as under :

- (i) Careful segregation of shales and stones from coal, sizing/crushing of coal and elimination of stone boulder at the time of sizing/crushing.

- (ii) Revision of grades of coal on the basis of extensive sampling/analysis.

- (iii) Posting of Quality Control Officer or siding-in-charge in each colliery to supervise proper loading.

- (iv) Regular sampling analysis at loading points through public analysis or third party agencies.

STATEMENT

Percentage of increase in the prices of coking coal, semi-coking coal and A,B and C grades of non-coking coal effected on 20.10.96 by Coal India Limited over the prices of these grades of coal fixed on 1.4.96.

Category	Grade	For CCL, SECL ECL (Raniganj) and SP mines only for ECL)	For BCCL MCL, ECL (Mugma and Salanpur Area only)	For MCL	For WCL
1	2	3	4	5	6
Non-coking	A	12.06%	12.06%	12.04%	-
	B	12.14%	12.14%	12.07%	-
	C	8.14%	8.14%	8.14%	-
Coking Coal					
	Steel Grade-I	-	12.06%	-	-
	Steel Grade-II	-	12.07%	-	-
	Washery Grade-I	8.02%	12.03%	-	8.02%
	Washery Grade-II	8.03%	12.10%	-	8.03%
	Washery Grade-III	8.10%	12.07%	-	-
	Washery Grade-IV	8.15%	12.04%	-	-
Semi-Coking					
	Grade-I	8.02%	8.02%	8.02%	8.02%
	Grade-II	8.03%	8.03%	8.03%	8.03%

Note : CIL : Coal India Limited.
 CCL : Central Coalfields Limited
 SECL : South Eastern Coalfields Limited
 ECL : Eastern Coalfields Limited
 BCCL : Bharat Coking Coal Limited
 NCL : Northern Coalfields Limited
 MCL : Mahanadi Coalfields Limited
 WCL : Western Coalfields Limited

[English]

Shortage of Raw Jute

460. SHRI JAGAT VIR SINGH DRONA : Will the Minister of TEXTILES be pleased to state :

(a) whether due to acute shortage of Raw Jute and the decline in the prices of produced goods, many jute factories are on the verge of closure or thinking of closing of their shifts till the new arrivals of raw jute; and

(b) if so, the steps being taken or proposed to be taken by the Government to stop the closure of these mills?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):
 (a) and (b). At present sufficient quantities of raw Jute are available at reasonable prices. All mills out of 73 units in the country except three mills one in U.P. one in Bihar and one in West Bengal are presently functioning normally. The mill at U.P. and the mill at Bihar are lying closed for more than ten years. The

work of the Mill at West Bengal has been affected by work suspension from 14.11.1996 however. Government of West Bengal has already started conciliation proceedings for reopening of this unit and it may resume production shortly.

[Translation]

Joint Venture with Germany

461 KUMARI UMA BHARATI :
SHRI PANKAJ CHOWDHARY :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government propose to set up an Indo-German Joint Venture garment industry in India;

(b) if so, the details thereof; and

(c) the time by which a final decision is expected in this regard?

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

(a) No, Sir.

(b) and (c) Do not arise

Investment in Bihar from Bank Deposit

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

(a) the amount deposited by the persons in the banks in Bihar and other States and the amount invested therefrom in these States during the last three years;

(b) the reasons for not utilising the requisite percentage of amount in those States and the steps being taken to improve it;

(c) the per-capita amount of bank loan disbursed in Bihar and other States during the above period and the reasons for its low disbursement;

(d) whether the Government are aware that due to the shortage of banks in the remote areas of Bihar the State has been becoming more and more backward; and

(e) the steps taken to improve the situation in this direction?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (e) The information is being collected and will be laid on the Table of the House to the extent available.

Balance of Trade

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

(a) the value of the import and export made during 1996, till date;

(b) the present position of foreign trade of India and the steps being taken by the Government for maintaining balance between import and export; and

(c) the steps taken by the Government to strengthen export and reduce the import of the country and also to strengthen the commercial ties with various bordering countries?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). As per latest available DGCI & S data, India's exports during April-Sept. '96 are valued at US \$ 16.14 billion and imports are valued at US \$ 17.95 billion

Export during April-Sept. 1996 have grown by 9.9% over the levels of the corresponding period of the last year. The imports during April-Sept. 1996 have increased by 5.2% over the level of the corresponding period last year.

The balance of trade represented by the excess of exports over the imports for April-Sept. 1996 is placed at US \$ - 1.81 billion.

(c) The key to narrowing the trade deficit lies in increasing the level of exports. Export promotion is a continuous activity and steps are being taken from time to time in consultation with trade and industry.

Commercial ties with various bordering countries are reviewed from time to time through bilateral discussions, exchange of industry and trade delegations as well as trade agreements. Bilateral trade with neighbouring countries is reviewed periodically under the institutional provisions in the bilateral trade agreements (except in the case of Pakistan). Trade promotion measures are also taken at the SAARC forum. A SAARC Preferential Trading Arrangements (SAPTA) providing for tariff preferences on intra-regional trade on many items has become operational in December 1995.

[English]

Bank Loans in West Bengal

464. SHRI BIR SINGH MAHATO : Will the Minister of FINANCE be pleased to state :

(a) the total amount of loan disbursed under each category by the various banks located in West Bengal during the last three years and in the current year so far; and

(b) the percentage of such loans in comparison to the total deposits in banks during the same period?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The outstanding advances of banks in West Bengal in different category during the years 1993-94, 1994-95, 1995-96 and 1996-97 (upto September 30, 1996) and also the percentage of such advances to total deposit as furnished by United Bank of India, the Convenor Bank for State Level

Bankers' Committee in West Bengal are given below :

Outstanding Advances

(Amount in Rs. crore)

Year	Agriculture Sector	Priority Sector Industries Sector	Service Sector	Priority Sector Total	Non Priority Sector Total	Grand Total
1. Year ended 31.03.94	885.01	1634.12	1097.52	3616.65	7104.42	10721.07
2. Year ended 31.03.95	966.44	1920.16	1152.77	4039.37	8550.58	12589.95
3. Year ended 31.03.96	1065.62	2019.05	1293.01	4377.68	10066.03	14443.71
4. Half Year ended 30.09.96 (Provisional)	1225.46	2261.33	1512.82	4999.61	11552.88	16552.49

Outstanding Advances as Percentage of Total Deposits

Year	Agriculture Sector	Priority Sector Industries Sector	Service Sector	Priority Sector Total	Non Priority Sector Total	Grand Total
1. Year ended 31.03.94	4.11	7.59	5.09	16.79	32.99	49.79
2. Year ended 31.03.95	4.01	7.96	4.78	16.75	35.48	52.24
3. Year ended 31.03.96	3.91	7.40	4.74	16.05	36.94	53.00
4. Half Year Ended 30.09.96 (Provisional)	3.81	7.03	4.70	15.54	35.93	51.48

[Translation]

Integrated Handloom Village Development Scheme

465 SHRI SHIVRAJ SINGH

SHRIMATI BHAVNABEN DEVRAJ BHAI
CHIKHALIA

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government propose to cover more villages under the Integrated Handloom Village Development Scheme during the current year;

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

(c) if not, the reasons therefor?

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

(a) Yes, Sir

(b) and (c). There is no specific State-wise target set under the Scheme. Sanction of Projects are considered on the basis of proposals received from the State Government.

Foreign Exchange Reserve

466 SHRI KACHARU BHABU RAUT : Will the Minister of FINANCE be pleased to state :

(a) the present position of foreign exchange reserve of the country; and

(b) the amount of foreign exchange earned through exports during the last year?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) India's foreign exchange reserves, including gold and SDRs, amounted to US \$ 23,768 million on November 8, 1996.

(b) As per the quick estimates of balance of payments, the amount of foreign exchange earned through exports during the year 1995-96 is placed at US \$ 32,467 million.

[English]

Loan at Concessional Rates to SSI

467 SHRI PANKAJ CHOWDHARY : Will the Minister of FINANCE be pleased to state

(a) whether the Government have recently reduced the amount of loans available at concessional rates to the small scale industrial sector;

(b) if so, the reasons therefor;

(c) whether the Government propose to review its decision keeping in view its adverse effect on the trade activities in the country; and

(d) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The Reserve Bank of India (RBI) has reported that no decision has been taken recently by it to reduce the amount of loans to small scale industrial (SSI) sector at concessional rates. However, as a measure of rationalising the interest rate structure lending rates have been linked to the size of the loan way back in 1990. The existing lending rates for SSI are as under :

Credit Limits	Rate of Interest
(i) Upto and inclusive of Rs. 25,000/-	12% per annum
(ii) Over Rs. 25,000/- and upto Rs. 2 lakhs	13.5% per annum
(iii) Over Rs. 2 lakhs	Banks are free to determine the interest rate.

Bank Frauds

468. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether in view of the increasing incidents of frauds in nationalised banks, Government propose to set up an independent audit commission for banks on the lines of comptroller and Auditor-General;

(b) if so, the details thereof; and

(c) if not, the other alternate steps proposed to be taken to check such large scale frauds in banks?

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

(b) Does not arise

(c) Statutory Audit, Concurrent Audit, on-site inspection and off-site inspection by RBI are some of the checks in existence at present. In order to strengthen the supervision of commercial banks, a Board of Financial Supervision has been set up by the Reserve Bank of India. The existing system relating to the formulation of audit policy and appointment of auditors is consistent with international standards. Audit Committees of the Boards of public sector banks examine cases of frauds, problems of house keeping which may lead to frauds, inspections, internal control systems and follow-up action on RBI's inspection reports. In addition, the Board for Financial Supervision has set up a sub-committee on Audit to determine the criteria for appointment of auditors and for strengthening the Concurrent Audit system.

[Translation]

Illegal Extraction of Coal

469. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) the number of complaints received by the Government regarding illegal extraction of coal from the closed mines of BCCL and the number of cases registered with the police stations during the last three years;

(b) the reasons for closure of the above mentioned mines and the time by which these are lying closed; and

(c) the action taken against the persons responsible for such illegal extraction of coal?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) As per the information received from Coal India Limited, there has been no illegal extraction of coal from the mines closed during the last three years in Bharat Coking Coal Limited (BCCL). Therefore, no case of illegal extraction of coal from the closed mines was registered with the police stations by BCCL and no action was taken against the persons responsible for this type of illegal extraction.

(b) and (c). Does not arise in view of answer to part (a) of the question.

[English]

Pension Scheme for Employees of L.I.C.

470. SHRI VIJAY PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Life Insurance Corporation has introduced a pension scheme for its employees;

(b) if so, the details and the date of its introduction;

(c) the categories of employees covered under this scheme;

(d) whether the pre-1986 retirees have not been covered under this scheme;

(e) whether the Government have received any representation for extending the pension scheme to pre-1986 retirees; and

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

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

(b) The Scheme was introduced with effect from 1.11.1993 with an option to those retiring between 1.1.1986 and 1.11.1993 to join the Scheme after returning the benefits paid, with interest. The details are contained in the LIC (Employees) Pension Rules, 1995

which were published in Extra-Ordinary Gazette on 28.6.1995. These Rules were laid on the Table of the House on 8.12.1995.

(c) The Scheme covers all the employees of LIC retiring or dying after the prescribed dates

(d) Yes, Sir.

(e) and (f). Yes, Sir. The cut off date of 1.1.1986 was adopted on the line of the commercial banks as well as the RBI and on the basis of an understanding reached by the LIC management with its employees' unions. Further, while the Pension Scheme was being finalised, LIC had given to understand that it would not be possible for it to trace the records of those employees who had retired before 1.1.1986. In view of the reasons stated above it would be difficult for the Government to extend the cut-off date beyond 1.1.1986.

[Translation]

Industries based on Agriculture, Forest and Mines

471. SHRI DATTA MEGHE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up industries based on Agriculture, forests and mines in the country;

(b) if so, the details thereof;

(c) whether the State Governments have sent any proposal to the Union Government for approval in this regard;

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

(e) the decision taken by the Government till date in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Under the liberalised industrial policy, it is for the entrepreneurs to propose to set up industries in any sector, including industries based on agriculture, forests and mines. During the period January, 1994 to October, 1996, a total number of 389 Letters of Intent were granted under Industries (Development and Regulation) Act, 1951 for setting up industries based on agriculture, forests and mines in the country.

(c) to (d). 15 Industrial Licence applications were received from the State Governments i.e. from Karnataka, Madhya Pradesh, Orissa, Tamil Nadu and Uttar Pradesh for setting up industries based on agriculture, forest and mines. Out of the above, 2 Letters of Intent were granted.

[English]

Under/Over Invoicing

472. SHRIMATI MEIRA KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether in the light of recent discovery of over invoicing of imports and under invoicing of export by ITC, the measure the Government have taken or proposed to be taken to check this evil from the import/export trade; and

(b) the number of such cases involving more than rupees Ten Lakhs seized during the last three years?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Government has specialised intelligence and investigation agencies, such as the Directorate of Revenue Intelligence and the Enforcement Directorate, which are functioning at the national level, to detect such cases of over invoicing of imports and under-invoicing of exports. These agencies function in addition to Special Investigation Branches in the Custom Houses who also detect and investigate such cases at the points of entry/exit of goods in to/out of the country. All these agencies are empowered to take suitable action under the existing laws, such as the Customs Act, 1962 and the Foreign Exchange Regulation Act, 1973 so as to punish the defaulters.

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

Performance of SCICI

473. SHRI SHANTILAL PARSOTAMDAS PATEL :
SHRI DINSHA PATEL :

Will the Minister of FINANCE be pleased to state :

(a) the main objectives for setting up of the Shopping Credit and Investment Company of India (SCICI);

(b) whether the said company failed to perform the job entrusted to it by the Government; and

(c) if so, what was the performance of the company during the last three years and the remedial action which have been taken by the Government to effect improvement in the recovery of outstanding loans?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) SCICI was set up to continue the activity of lending to and developing the Indian Marine industries of shipping and fishing after the abolition of the erstwhile Shipping Development Fund Committee (SDFC). In order to safeguard against the risks associated with exclusive lending to shipping and fishing industries, SCICI later on, diversified its portfolio into areas like infrastructure and general industry. This has helped SCICI increase its profitability and also the borrowing capability to and its shipping activities. It was also assigned the job of managing the assets and

liabilities of the erstwhile SDFC and meeting some the erstwhile commitments on behalf of the Government of India.

(b) and (c) No, Sir. The actual sanctions to the shipping and fishing sectors during the last three years are as under

(Rs. in Crores)		
Year	Shipping	Fishing
1993-94	571.81	29.93
1994-95	550.20	23.16
1995-96	557.48	15.00

SCICI has recovered Rs. 354.50 crores (against Rs. 464.11 crores outstanding as principal as on 24.12.1987 and Rs. 500.21 crores disbursed subsequently) as principal and Rs. 170.67 crores on account of interest from both shipping and fishing companies assisted by erstwhile SDFC till 1995-96.

Sugar Mills under BIC

474 SHRI RAJIV PRATAP RUDY : Will the Minister of TEXTILES be pleased to state

(a) whether sugar mills under the British India Corporation (BIC) are incurring heavy losses and have been declared sick;

(b) if so, the details of the working and operational losses suffered by the each sugar mills under BIC during the last three years; and

(c) the steps taken by the Government to revive these mills?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA) : (a) There are no sugar mills under the administrative control of the British India Corporation. However, the Cawnpore Sugar Works Ltd. in which BIC holds about 47% share has been incurring losses and has been declared sick by the Board for Industrial and Financial Reconstruction.

(b) As reported by the company, the details of losses suffered by four units of Cawnpore Sugar Works Ltd. during the last three years are as follows :

(Rs. in lakhs)			
Unit	1993-94	1994-95	1995-96
Marhowrah	(-) 150.00	(-) 212.00	(-) 357.00
Gauri Bazar Factory	(-) 153.00	(-) 312.00	(-) 321.00
Padrauna Factory	(+) 752.00	(+) 540.00	(-) 209.00
Kathkuiyan Factory	(+) 165.00	(-) 5.00	(-) 306.00

(c) Since the company is not a Public Sector Undertaking, the Central Government has not prepared any revival plan to its rehabilitation. The revival of Cawnpore Sugar Works Ltd. is presently under consideration of the BIFR.

Investment Policy of FIPC

475 SHRI ANNASAHIB M.K. PATIL : Will the Minister of INDUSTRY be pleased to state

(a) whether Foreign Investment Promotion Council (FIPC) have reviewed the investment policy in power, Telecom Infrastructure and real estate sector with a view to identify and work out strategies to get more investment from developed countries like U.S.A. and Japan.

(b) if so, the details thereof.

(c) the details of marketing strategies worked out by FIPC for the new policy package; and

(d) the present status of the policy changes effected/proposed and results thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d) The FIPC has been constituted to facilitate Foreign Direct Investment (FDI) into India by undertaking promotional activities. This will involve identification of the countries and regions from which FDI would flow and also of the sectors and projects in India which would be suitable for such foreign investment.

Seizure of Foreign Currency

476 SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state

(a) whether foreign currency worth Rs. 2.70 crore was seized at Indira Gandhi International Airport recently.

(b) if so, the details thereof; and

(c) the arrests made so far in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c) Yes, Sir, the officers of Customs Preventive, IGI Airport, New Delhi intercepted a passenger on the night of 1st November, 1996 and recovered foreign currencies of different countries, in various denominations equivalent to Rs. 2,70,91,602/- concealed in readymade garments packed in a suitcase. The passenger was proceeding to Bangkok by Thai Airways Flight No. 315. Investigations have revealed involvement of two more persons in the case. All the three persons have been arrested.

ODA Assistance from Japan

477 DR. KRUPASINDHU BHOL : Will the Minister of FINANCE be pleased to state

(a) the year since when his Ministry has been receiving Official Development Agency (ODA) assistance from Japan;

(b) the amount of ODA assistance is being received from the above country during the current financial year; and

(c) the manner in which the ODA assistance is being utilised?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Government of India has been receiving Official Development Assistance (ODA) from Japan since 1958.

(b) and (c). Amount of ODA to be provided by the Government of Japan during the current financial year is Yen 132,746 million for the following projects.

S No.	Name of Project	Million Yen
1	Northern India Transmission System Project	8.497
2	West Bengal Transmission System Project	11.087
3	Umiam Hydro Power Station Renovation Project	1.700
4	Tuirial Hydro-Electric Power Station Project.	11.695
5	Simhadri Thermal Power Station Project	19.817
6	Delhi Mass Rapid Transport System Project	14.760
7	Calcutta Transport Infrastructure Development Project.	10.679
8	Eastern Karnataka Afforestation Project	15.968
9	Tamil Nadu Afforestation Project	13.324
10	Kerala Water Supply Project	11.997
11	Rajghat Canal Irrigation Project	13.222

Mismanagement in Central Bank of India

478. SHRI BHIMRAO VISHNUJI BADADE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of the mismanagement and non-utilisation of assets by Central Bank of India in and around Mumbai resulting in huge financial losses; and

(b) if so, the action being taken against the officials found guilty and steps proposed to be taken in the matter to make up the losses?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) Central Bank has reported that most of the assets owned by the Bank in and around Mumbai have been put to proper use except for a premises in Belapur area which is in partial use due to non-availability of infrastructural facilities. With a

gradual improvement in transportation and communication facilities the Bank is in the process of shifting some of the administrative departments to this premises. Steps such as construction of residential flats, leasing out some portion of the premises, etc. are also being taken by the Bank to make full use of the premises.

[Translation]

World Bank Loan

479. SHRI N.J. RATHWA :
SHRI RADHA MOHAN SINGH :
SHRI O.P. JINDAL :
SHRIMATI SUSHMA SWARAJ :
PROF. PREM SINGH CHANDUMAJRA :

Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank President had visited the various regions of the country during October 1996 and held discussion with various high level officials of the Government.

(b) if so, the details of the discussions held in various meetings during his tour;

(c) the areas in which the World Bank President offered more assistance, and the number of cases in which assistance was sought and the number of projects in which he had taken a decision to cancel them; and

(d) India's total debt to the World Bank as on date and the total interest being paid to the World Bank annually on this debt?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). During his visit to India in Oct. 1996 the World Bank President had toured the states of Maharashtra, Karnataka and Orissa as well as New Delhi and had extensive consultations with the Prime Minister, Finance Minister, Agriculture Minister, Chief Ministers of the states and other ministers and senior Govt. Officials at both State and Central levels. Discussions with the Bank President focussed on issues such as ongoing World Bank Projects in the Country, the future pipeline of the World Bank assistance, how to improve utilization on ongoing projects and on Indian economy. The World Bank President was requested by the States as well as the Centre to provide assistance in areas such as power, agriculture, social and Infrastructure sectors. The World Bank agreed to support investments in infrastructure, fiscal adjustment, poverty alleviation, social, agriculture sectors and for private sector development.

(d) India's total external debt liability to World Bank including IDA was US \$ 25802.225 million as at the end of Sept. '96. The total interest paid to World Bank was US \$ 902 million during 1995-96.

[English]

Textile Mills in Maharashtra

480. SHRI NARAYAN ATHAWALAY :
SHRI ANANT GUDHE :

Will the Minister of TEXTILES be pleased to state :

(a) whether a large number of textile mills in Maharashtra particularly in Vidarbha region are sick for over 10 years;

(b) if so, the details regarding performance of these sick units and funds provided for their revival/modernisation/upgradation during the past three years, mill-wise, and

(c) the details of the plan of action under consideration/finalised for revival for these textile units; and

(d) the names of the units likely to be closed in Maharashtra and the plan of action for rehabilitation of workers?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA):
(a) As on 31.10.96, 55 cases of textile mills in Maharashtra were registered with the Board for Industrial and Financial Reconstruction (BIFR) as 'sick', including cases of 2 mills in Vidarbha region.

(b) and (c). Out of the 55 textile mills, 25 cases of textile mills were identified by the BIFR for revival. Draft Scheme has been sanctioned by the BIFR in 20 cases. Draft Scheme circulated in 3 cases and Draft Scheme sanctioned by AAIFR in 2 cases. Funds are provided by Central Financial Institutions as per their norms.

(d) The BIFR has issued winding up orders in respect of the following mills.

Seth Industries Ltd., Lokmanya Mills Ltd., New Great Eastern Spg. and Wvg. Co. Ltd., Madhavnagar Cotton Ilac Ltd., Seth Wollens Ltd., Emerald Wollen Mill, Philcot Textiles Ltd., Alpina Textile Processing Pvt. Ltd., Pratap Wvg. and Mfg. Co. Ltd. and Pulgaon Cotton Mills Ltd.

Workers of closed mills become eligible for getting relief under the Textile Workers' Rehabilitation Fund after the appointment of Official Liquidator by the High Court to takeover the assets of the mills.

Financial Crunch in Non-Banking Financial Companies

481. SHRI TARIQ ANWAR : Will the Minister OF FINANCE be pleased to state :

(a) whether the non-banking financial companies are facing financial crunch;

(b) if so, the reasons therefor;

(c) whether the Government propose to issue some fresh guidelines to meet the crisis; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The deposit-acceptance activities of NBFCs are governed by Non-Banking Financial Companies (Reserve Bank) Directions, 1977 issued by Reserve Bank under Chapter IIIB of the Reserve Bank of India Act, 1934. The aggregate deposits of NBFCs increased from Rs. 46,411.6 crore as at the end of March, 1994 to Rs. 60,762.8 crore (provisional) as at the end of March, 1996. The substantial increase in deposits shows that the NBFCs are not facing any financial crunch.

(c) and (d). Recently the Reserve Bank have announced a package of measures such as freeing of interest rate ceiling on deposits and removal of ceiling on the quantum of deposits for NBFCs which fully comply with the RBI's directions and guidelines. These measures would enable the large sized NBFCs to mobilise substantial resources by way of public deposits.

Norms for Bonus

482. SHRI SANTOSH KUMAR GANGWAR :
PROF. OM PAL SINGH NIDAR :
SHRI I. D. SWAMI :
SHRI MANIKRAO HODLYA GAVIT :

Will the Minister of FINANCE be pleased to state :

(a) the norms and criteria fixed for determination and payment of bonus to various categories of employees of Union Government and Central Undertakings as applicable for the disbursement of bonus in the current financial year (1996-97) vis-a-vis those applied during the last year;

(b) the total increase envisaged in the payment of bonus consequent upon the recent decision to lift the bonus ceiling;

(c) whether the Government have referred the overall question of Bonus to the Pay Commission for future;

(d) if so, the details thereof;

(e) whether the reference of bonus formula to the Pay Commission is likely to delay the submission and implementation in of Pay Commission Report; and

(f) the efforts being made to expedite the report of the Commission without further delay?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The existing eligibility ceiling and calculation ceiling for payment of Productivity Linked Bonus and adhoc Bonus during the current year vis-a-vis those applied during the last year are as indicated in the Statement enclosed. The payment of Bonus to the employees of Public Sector Undertakings is made as per the provisions contained in the Payment of Bonus Act, as amended from time to time.

(b) Approximately, Rs. 219 crores.

(c) and (d). Yes, Sir. The details are given in Government Resolution No. 5(12)/E.III/93 dated 19.11.1996 (Copy enclosed).

(e) No, Sir.

(f) Concerted efforts are being made by the Commission to expedite the report and it is expected to be submitted soon.

STATEMENT

S.No.	Category of employees	Eligibility ceiling (pm)		Calculation ceiling (pm)	
		94-95	95-96	94-95	95-96
(i)	PLB for Railway employees ceiling	Rs. 4500	No ceiling for Gr. C and D	Rs. 2500	No change
(ii)	PLB for P & T and other Deptts. employees who are covered by their respective PLB scheme.	Rs. 3500	-do-	Rs. 2500	-do-
(iii)	Adhoc bonus for employees not covered not covered by any PLB schemes.	Rs. 3500	-do-	Rs. 3500	-do-

(To be Published in the Gazette of India Extraordinary Part-I, Section-I)

Government of India
Ministry of Finance
Department of Expenditure

RESOLUTION

No. 5(12)/E.III/93. The Government have decided that the Terms of Reference of the Fifth Central Pay Commission as contained in this Ministry's Resolution of even number dated 9th April, 1994 and amended vide this Ministry's Resolutions of even number dated 12th January, 1995, 17th July, 1996 and 24th October, 1996 shall be further amended by the addition of a new para 2 (h) below para 2(g) as under.

2(h): "To examine the various methodology employed for determination and payment of Productivity Linked Bonus (PLB) in the Ministries and Departments of the Central Government and recommend the general principles and conditions which should govern payment of bonus and also to recommend the specific parameters for evolving bonus formulae for each Ministry and Department where PLB schemes are in Force at present.

The Commission may also examine the 'ad hoc' bonus scheme in force in those Departments where PLB schemes are not in operation with a view to recommending the desirability and feasibility of introducing productivity linked incentive scheme and may recommend a specific formulae for

determining the productivity index and other related parameters."

Ordered that the Resolution be published in the Gazette of India.

Ordered that a copy of the Resolution be communicated to Fifth Central Pay Commission.

Ordered that a copy of the Resolution be communicated to Ministries/Departments of the Government of India, State Governments/Administrations of Union Territories and all others concerned.

Sd/-

(N.K. Singh)

Secretary to the Government of India.

Consensus on Critical Trade Issues

483. SHRI MADHAVRAO SCINDIA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government had organised a high level meeting of the 19 developing countries in September, 1996 for evolving a consensus on critical trade issues prior to the meeting of the World Trade Organisation; and

(b) if so, the details of issues discussed and the outcomes thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). India had convened a high level meeting of developing countries in New Delhi on 28-30 September 1996 for facilitating an exchange of views on the new issues proposed by some countries for discussion at

the forthcoming Singapore Ministerial Conference (SMC) of the World Trade Organisation (WTO) in December 1996. The meeting, which was attended by 14 countries, discussed the four new issues sought to be brought on to the future agenda of the WTO: Investment, Labour Standards, Government Procurement and Competition Policy and Rules. The work of the Committee on Trade and Environment of the WTO was also discussed. At the end of the meeting, a statement was issued by the Chairman on the common perceptions of the Group on these issues. A copy of the concluding statement of the Chairman of the meeting is enclosed as Annexure.

Annexure

A meeting was convened by India of a cross section of developing countries in the South East Asian, South Asian, African and Latin American regions for facilitating an exchange of views on some so-called 'New issues' which are being proposed for discussion at the Singapore Ministerial Conference (SMC) of the WTO in December 1996. These 'New issues' cover Investment, Labour Standards, Government Procurement and Competition Policy and Rules. The Meeting also discussed trade and environment with reference to the ongoing work in the WTO Committee on Trade and Environment.

The Meeting was of the unanimous view that the SMC offers an opportunity to take stock of the Uruguay Round Agreements and their implications for the multilateral trading system. The Meeting agreed that the most important item on the agenda of the SMC should be a substantive review of the implementation of the Uruguay Round Agreements since the entry into force of the WTO in January 1995.

The Meeting noted that certain Members of the WTO are pushing for initiation of discussions in the WTO by way of an educative process on the relationship between trade and investment on the ground that there is a close linkage between the two. It is being argued that having achieved considerable liberalisation of border measures in relation to trade, the next area of liberalisation should cover trans-national investments. The underlying assumption appears to be that trans-national investments are invariably good for the global development process and if multilaterally negotiated rules governing such investments can be put in place, both trade and development will be promoted on a global scale.

It was felt by participants that while investments have a linkage with trade, they also have an important linkage with the development process as a whole. In the present system of National States, each country must be free to pursue its own national development strategies and to decide the role to be played by foreign investment in achieving various development goals. Hence, decisions regarding the policies to be adopted for

permitting foreign investment into a country should be left squarely within the competence and jurisdiction of the Government of each country. There is a serious flaw in the proposition that what is good for trans-national investments is also necessarily and always good for development. Trans-national investments can have, in different circumstances, either positive or negative effects on overall employment creation and maintenance of jobs in the small scale and cottage sector, technology transfer and absorption, environment, regional development, poverty alleviation and the like. Unless properly regulated to suit the national interests of each country, the impact of trans-national investments can turn out to be more adverse than favourable. Thus, while countries are trying to promote inward investments autonomously in different degrees and some countries have more liberal inward investment regimes, the effort to bind all countries into a common framework of disciplines concerning trans-national investments does not in the view of many participants appear to be well-considered and equitable. The Meeting noted that the UNCTAD-IX Conference has already mandated UNCTAD to study all aspects of the investment issue, including an Multilateral Agreement on Investment (MAI). Many participants felt that UNCTAD is the most appropriate forum to undertake an educative process since the WTO is a negotiating and rule-making forum. Besides, duplication is to be avoided. These participants noted that the WTO is mandated to look into the need for supplementing the provisions contained in the TRIMS Agreement in 1999-2000, by which time developing countries would have had the benefit of discussions and study in UNCTAD.

With regard to Competition Policy and Rules, the Meeting noted that various proposals are currently under examination in Geneva. The Meeting agreed that at present many developing countries do not have competition laws and that competition policy is a highly complex subject which needs careful study and analysis. The Meeting noted that the UNCTAD-IX Conference at Midrand has mandated UNCTAD to examine the issue relating to competition law of particular relevance to development, carry out analytical work on restrictive business practices and assist developing countries in formulating necessary domestic competition policies and legislations. Keeping in view the expertise of UNCTAD in this area, the Meeting agreed that developing countries would benefit from the results of the study and analysis in UNCTAD. The Meeting also agreed that analysis and examination in UNCTAD should be comprehensive and should also look into trade policy measures having anti-competitive effects. Many participants agreed that keeping in view the linkage between investment and competition policy, it would be beneficial for the developing countries if both the subjects are taken up in the WTO for consideration as part of the TRIMS review, together in 1999-2000, as envisaged in the TRIMS Agreement after the analytical work has been completed in UNCTAD.

The delegations expressed their full commitment to the pursuit of national policies to protect labour rights and advance labour welfare. However, the Meeting was of the unanimous view that there is no theoretical or empirical evidence establishing a clear linkage between trade and labour standards. The Meeting expressed concern about the persistent efforts to bring this non-trade issue on to the agenda of the WTO notwithstanding the fact that the International Labour Organisation (ILO) is an appropriate forum to look into the issue and has requisite competence and expertise in the area. The Meeting concluded that the subject of labour standards should not be brought into WTO in any form.

On Government Procurement, the Meeting felt that developing countries should at this stage continue to retain the option of joining the plurilateral Government Procurement Agreement only as and when they perceive this to be beneficial to them. The Meeting agreed that it would be necessary to get more clarifications about some proposals on this subject to consider whether a multilateral agreement on government procurement is desirable.

The issue of trade and environment has been discussed in the WTO Committee on Trade and Environment (CTE) for about two years now. It has been recognised that the linkages between trade and environment are complex, but that trade is not the primary cause of environmental problems. Major areas for further work include, inter alia, the relationship between the multilateral trading system and the Multilateral Environment Agreements (MEAs), and the effect of environment measures on the market access of developing countries, particularly the need to safeguard and enhance their market access and make available Environmentally Sound Technologies and Products (EST & Ps) on fair and most favourable terms for meeting environmental obligations. The Meeting recalled the Rio Principles recognising the need to take into account the development context of environmental standards, to avoid unilateralism and disguised protectionism on environmental justifications, and to acknowledge the common but differentiated responsibilities in addressing environmental problems. The Meeting also felt that consideration should be given to the transfer of EST & Ps to developing countries, on favourable, non-commercial and equitable terms in suggesting effective approaches to address environmental problems. There was a strong objection to unilateral action and disguised protection through trade measures taken for environmental purposes. Many delegations agreed that the present Article XX of the GATT 1994 is adequate to address all legitimate trade measures taken for protection of the environment. The Meeting gave importance to the removal of all trade restrictions and distortions that have negative effects on environment. It was agreed that further work is required on all issues identified under the ten items before the CTE.

The delegations expressed satisfaction that this Meeting has contributed positively towards building up better understanding about 'New Issues'. The Meeting emphasised the need to continue this process of mutual consultations and exchange of views in Geneva as well as the Capitals during the run-up to the SMC.

The Chairman warmly thanked all distinguished delegates for taking the trouble to join this Preparatory Meeting at relatively short notice and for their excellent free and frank contributions which led to a very beneficial exchange of views. He hoped that the delegates had enjoyed their brief stay in India and wished all overseas delegates a safe return home.

Changes in Policies for EOUs/EPZs

484. SHRI NAMDEO DIWATHE : Will the Minister of COMMERCE be pleased to state :

(a) whether the performance of Export Oriented Units and Export Processing Zones is satisfactory;

(b) if not, whether the Government propose to review the policies for the functioning of EOUs and EPZs; and

(c) if so, the details thereof alongwith the areas where changes are proposed to be effected?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Exports from Export Oriented Units and Export Processing Zones have been growing steadily. During 1995-96 exports from EOU/EPZ units registered a growth of 32% over the previous year, which is quite satisfactory.

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

Social Package for PSUs

485. SHRI SARAT PATTANAYAK : Will the Minister of INDUSTRY be pleased to state :

(a) whether Government propose to formulate a social package for major Public Sector Undertakings in the country; and

(b) if so the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). At present there is no proposal to formulate a general social package for major public sector undertakings. Taking suitable enterprise-specific measures is a continuous process.

Banking Ombudsman Scheme

486. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) the places and insitutions covered under the Banking Ombudsman scheme so far;

(b) the number of cases settled by each of the ombudsman till date;

(c) whether the Government propose to extend the scheme to Regional Rural Banks and Insurance and other Financial Institutions also; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India (RBI) have so far appointed 11 Ombudsmen under the Banking Ombudsman scheme. The institutions covered under the Scheme are commercial banks and scheduled primary cooperative banks. The names of the Ombudsmen, location, jurisdiction, date of appointment and number of complaints settled etc. are given below :-

S. No.	Name of Ombudsmen	Location of office	Date of appointment	Jurisdiction	Complaints withdrawn/ settled as a result of Ombudsman initiatives (as on 30.6.1995)
1.	Shri B.N. Shetye	Mumbai	14.6.95	Maharashtra and Goa	10
2.	Shri A.K. Pandya	Bhopal	14.6.95	Madhya Pradesh	5
3.	Shri B.L. Chadha	New Delhi	14.6.95	Delhi, Haryana, J&K and Dist. Gaziabad in U.P.	31
4.	Shri J.C. Lynn	Bangalore	24.6.95	Karnataka	8
5.	Shri R.C. Kapoor	Chandigarh	24.6.95	Himachal Pradesh, Punjab, and Union Territory of Chandigarh	17
6.	Shri R.K. Ragala	Hyderabad	4.10.95	Andhra Pradesh	9
7.	Shri J.P. Sharma	Patna	8.10.95	Bihar	25
8.	Shri O.P. Sodhani	Jaipur	11.1.96	Rajasthan	13
9.	Shri G.C. Agarwal	Kanpur	24.5.96	Uttar Pradesh excluding Distt. Ghaziabad	-
10.	Shri H.N. Das	Guwahati	5.6.96	Assam, Arunachal Pradesh, Meghalaya, Nagaland, Mizoram, Tripura.	-
11.	Dr. Sitakant Mahapatra	Bhubaneshwar	28.9.96	Orissa	-

(c) and (d). RBI does not have any proposal at present to extend this scheme to Regional Rural Banks and All India term lending financial institutions. There is also no proposal for setting up a Ombudsman for Life Insurance Corporations as it already has an elaborate grievance redressal machinery which is working satisfactorily. However, it has been agreed, in principle, to set up an ombudsman for the General Insurance Corporation.

Multinational Companies

487. SHRI HARIN PATHAK :
SHRI R.L.P. VERMA :

Will the Minister of INDUSTRY be pleased to states :

(a) whether certain multinationals had evinced interest to take over Bharat Heavy Electricals Ltd. (BHEL)

and also some other Public Sector Undertakings either in part or as a whole;

(b) if so, the details thereof;

(c) whether BHEL has entered into joint ventures with some multi-nationals;

(d) if so, the details thereof and the advantage to be derived from such joint ventures; and

(e) the impact of taking over of Public Sector Undertakings by multi-national companies on indigenous industry?

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

(b) Does not arise.

(c) BHEL is in the process of establishing two Joint Venture Companies for which Government approval has been given recently.

(d) The details of the proposed Joint Venture Companies are as follows :

- (i) The Joint Venture with General Electric Company, USA is for Repair and carrying out after-Sales-Servicing of GE designed Gas Turbines operating in India and in some other countries.
- (ii) The Joint Venture with Siemens A.G., Germany is for carrying out, in India and in some other countries, Plant performance Improvement (PPI) of old Fossil Fuel Power Plants which are operating at Low Plant Load Factors (PLF) and having poor availability.

Advantages

Following are some of the advantages likely to accrue :

- (i) Enhanced business for BHEL.
 - (ii) Availability of more power from existing ageing fossil fuel power plants at a lower cost and better utilisation of GE designed gas turbines.
 - (iii) Availability in India of the state-of-the-art technologies for the after sales servicing business would lead to increased customer satisfaction.
- (e) Does not arise.

Losses to Oriental Insurance Company

488. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have ordered any inquiry into the losses suffered by the Oriental Insurance Company Limited during 1995-96;

(b) if so, the factors responsible therefor;

(c) the time by which the inquiry report is likely to be submitted to the Government, and

(d) the other steps proposed to be taken to bring this company out of red?

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

(b) The company has reported that a net loss of Rs.45.97 crores was incurred by them during the financial year 1995-96. This is mainly on account of an expenditure of about Rs.121 crores incurred by them towards the wage revision to all classes of employees, increase in gratuity liability, and the additional liability towards the recently introduced pension scheme to their employees, which was given retrospective effect from 1.1.1986. Besides, on account of increase in the premium income of the company on net basis, the reserve strain for unexpired risk has also gone up by about Rs. 67 crores.

(c) Does not arise.

(d) The impact of wage revision, and the introduction of pension scheme which was given retrospective effect, necessitated payment of arrears, which is a one time liability. The impact will be substantially less in the succeeding years. Besides, the performance of the company is continuously monitored by the Board of Directors of the company which inter-alia includes, the Chairman of a nationalised bank, a representative of the General Insurance Corporation and a Government nominee.

Import of Newsprint

489. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to reintroduce the actual user condition on import of newsprint to encourage consumption of domestic paper;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLIRAMAIAH) : (a) to (c). There is presently no proposal under consideration to amend the existing Policy for the import of newsprint which has been recently subjected to tariff regulations.

Performance of Banks

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

(a) the performance of different public sector commercial banks during each of the last three years and in 1996 so far;

(b) whether some of the Commercial banks are incurring huge losses;

(c) if so, the details thereof during the above period, year-wise; and

(d) the steps taken to improve the performance of the loss making banks?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The Profits & Losses of Public Sector Banks during last three years i.e. 1993-94, 1994-95 and 1995-96 (latest available) is given in the enclosed statement. (Minus sign indicates losses.)

(d) Banks have been advised to strengthen their credit appraisal machinery and exercise close supervision and control over advances. In the documents containing performance obligations and commitments, nationalised banks have been asked to prepare action plans on the following key areas :-

- (i) Improvement in Organisational set up.

- (ii) Improving productivity levels including mechanisation in key/selective areas and containment of staff.
- (iii) Human resources development.
- (iv) Improvement in house-keeping and internal control.
- (v) Strengthening vigilance machinery and deterrent action against erring officials.

- (vi) Profit planning and improvement in profit levels.
- (vii) Mobilisation of low cost deposits; and
- (viii) Reduction in Non-Performing Assets.

In the case of loss making banks RBI has placed restrictions on staff growth, opening of branches for general banking business and ban on capital expenditure. These measures are expected to improve the profitability of these banks.

STATEMENT

Profit/Loss Position of Public Sector Banks

(Amount in Crores)

Name of the Bank	1993-94		1994-95		1995-96	
	Oper. Profit.	Net Profit	Oper. Profit.	Net Profit	Oper. Profit.	Net Profit
State Bank of India	1532.84	275.04	1951.01	715.50	3030.13	831.60
State Bank of Bikaner & Jaipur	47.62	6.50	72.73	8.04	112.25	5.75
State Bank of Hyderabad	120.57	24.48	159.81	43.60	200.39	50.00
State Bank of Indore	38.85	3.65	56.84	9.09	62.81	12.08
State Bank of Mysore	53.25	2.39	61.35	2.92	100.84	25.63
State Bank of Patiala	113.56	29.14	111.34	32.64	185.67	52.14
State Bank of Saurashtra	44.22	5.50	67.11	14.00	93.26	-230.31
State Bank of Travancore	94.51	9.34	103.02	20.70	117.86	26.20
Total Profit for SB Group	2035.42	356.04	2583.21	846.49	3923.21	1023.44
Total Loss for SB Group	-	-	-	-	-	-230.31
Allahabad Bank	22.84	-367.72	30.42	-76.36	103.21	5.62
Andhra Bank	18.66	-162.25	13.13	-43.57	61.67	11.07
Bank of Baroda	726.82	66.15	774.87	175.54	877.27	204.27
Bank of India	204.80	-1089.15	317.10	50.36	473.86	276.48
Bank of Maharashtra	-33.86	-296.93	26.98	-40.80	66.49	12.60
Canara Bank	319.54	120.35	552.27	204.10	684.63	252.52
Central Bank of India	-122.01	-711.93	49.18	-84.24	210.89	-73.53
Corporation Bank	108.22	27.04	174.03	72.55	216.10	104.75
Dena Bank	39.39	-69.84	68.80	30.02	145.49	51.69
Indian Bank	49.78	-390.65	75.12	14.26	-233.68	-1336.40
Indian Overseas Bank	45.86	-351.18	75.19	10.39	21.95	3.20
Oriental Bank of Commerce	109.54	32.11	194.77	113.36	276.14	172.75
Punjab & Sind Bank	-6.06	-175.99	40.97	-7.42	8.40	-132.15
Punjab National Bank	287.59	74.52	321.27	85.79	384.28	-95.92
Syndicate Bank	4.05	-299.40	14.29	-91.79	99.40	20.17
UCO Bank	-161.87	-546.45	30.63	-83.61	-26.13	-236.66
Union Bank of India	163.26	50.27	285.25	106.48	311.02	80.49
United Bank of India	-119.00	-618.06	-82.73	-137.23	-50.24	-234.46
Vijaya Bank	40.53	4.10	77.58	31.70	4.91	-250.95
Total Profit for Nationalised Bank	2122.22	374.54	3127.85	894.55	3945.71	1195.61
Total Loss for Nationalised Bank	-461.41	-5070.55	-82.73	-625.22	-300.05	-2360.10
Total Profit for PSBs	4157.64	730.58	5711.06	1741.04	7888.92	2219.05
Total Loss for PSBs	-461.41	-5079.55	-82.73	-625.22	-300.05	-2590.41

Note : (-) sing indicates losses.

International Finance Corporation

491. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the International Finance Corporation of the World Bank in its report, has blamed India's administrative bottlenecks for reduction in its aggregate level of investment in the country's fiscal year 1996 than the previous year;

(b) if so, whether the Government has examined the report; and

(c) if so, the details thereof and the steps taken in this direction?

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

(b) Yes, Sir.

(c) Lending from IFC is treated as part of overall External Commercial Borrowings (ECB). It is not correct to say that the reduction in the aggregate level of investment by IFC in India is due to administrative bottlenecks and constraints on external borrowings for Indian Firms. In fact, the approval given to various Indian corporates for ECB has gone up steadily over the years as given below :

Year	Amount (\$ Million)
1994-95	4.367
1995-96	6.286
1996-97	5.461
(upto 5.11.1996)	

All the applications received from IFC (W) that were consistent with the guidelines on External Commercial Borrowing have been cleared.

Gold Import Scheme

492. KUMARI SUSHILA TIRIYA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to review the liberalised gold import scheme which was introduced in 1992;

(b) if so, the reasons therefor;

(c) whether this scheme was being misused; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) No, Sir. There is no proposal at present before the Government to review the liberalised Gold Import Scheme.

(b) In view of (a) above, does not arise.

(c) No major contravention of the provisions of the scheme as notified by the Ministry of Commerce under

the Foreign Trade (Exemption from Application of Rules in certain Cases) Order, 1993 has been noticed.

(d) In view of the above, does not arise.

Delhi Stock Exchange

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

(a) whether the Delhi Stock Exchange lacks basic facilities due to which Industry also gets affected;

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

(c) whether the Government propose to modernise the Delhi Stock Exchange and provide basic facilities in it;

(d) if so, the time by which Government propose to provide these facilities in the Exchange and the estimated amount likely to be incurred thereon; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) According to the Delhi Stock Exchange, it has launched a programme of Modernisation. However, according to the Exchange, lack of adequate space is acting as a constraint. The Exchange has already commenced on-line screen-based trading in securities in March, 1996.

(b) The responsibility for providing the required facilities and for modernising the operations of the Delhi Stock Exchange vests largely with the management and the members of the Exchange and not with the Government.

(c) to (e). Do not arise in view of reply to (b) above.

Companies Registered under MRTTP Act, 1969

494. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :

(a) the number of companies registered under the Monopolies and Restrictive Trade Practices Act, 1969 (MRTTP); and

(b) the details of those companies against action has been taken by the Government for violation of MRTTP Act during each to the last three years?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Consequent upon deletion of part A of Chapter III of the MRTTP Act, 1969 through the MRTTP (Amendment) Act, 1991 with effect from 27.9.1991, large industrial houses are no longer required to be registered with the Central Government.

(b) Names of companies and other parties against which Orders were passed by the MRTTP Commission under Sections 36D and 37 of MRTTP Act, for having indulged in unfair and restrictive trade practices in the years 1993, 1994 and 1995 are indicated in statements I & II respectively.

STATEMENT-I

List of Unfair Trade Practice Enquiries (UTPE) in which orders were passed by the MRTP Commission during the years 1993 to 1995.

For the Year 1993

S.No.	Enquiry No.	Name of the Respondent
1	2	3
	UTPE No.	
1.	106/91	M/s. Coir Cushions Pvt. Ltd., Ghaziabad
2.	23/88	M/s. Voltas Ltd., Bombay
3.	27/91	M/s. Fair Imports & Exports, Cochin
4.	31/87	M/s. Hindustan Ciba-Geigy Ltd.
5.	242/87	M/s. Murphy India Ltd., Bombay
	-	M/s. Golden Radios, Agency, Jabalpur
6.	168/90	M/s. The TPL, New Delhi
7.	158/86	M/s. Food Specialites India Ltd, Calcutta.
8.	92/88	M/s. Beltek India Ltd., New Delhi
9.	38/89	M/s. Shree Raj Travels & Tours Pvt. Ltd., Bombay
10.	154/92	M/s. Translektra Domestic Products Ltd., Bombay
11.	161/91	M/s. Gangadharan Appliances Ltd., Madras
12.	105/92	M/s. JVG Fin Ltd., New Delhi.
13.	50/92	M/s. Keep Fit Foods Pvt. Ltd.
14.	120/89	M/s. Swarna Finance & Investments, Bengalore.
15.	217/86	M/s. GIC Industries Ltd, Bombay.
16.	135/91	M/s. Jaina Properties, N. Delhi.
17.	146/91	M/s. Polar International Ltd, Bombay
18.	64/92	M/s. Management & Technological Institute, Calcutta
19.	121/91	M/s. C-Z Instruments (P) Ltd, Bombay
20.	268/88	M/s. Hushmukh Ram Ltd. Bombay.
21.	161/90	The Institute of Medical Sciences, Orissa.
22.	158/92	M/s. J.P. Entrprises, New Delhi.
23.	143/92	Sanskrit Comfort Systems Pvt. Ltd., Ahmedabad
24.	69/91	M/s. Prince Gutaka (I) Ltd., Noida.
25.	68/92	M/s. Sivahesan & Co., Madras
26.	384/88	M/s. National Centre for Computing Technique.
27.	6/92	M/s. Olympia Service Centres, New Delhi
28.	144/91	M/s. Moonbean Industries Ltd., Delhi
29.	48/92	M/s. Super Cane Television Video Service.
30.	7/92	M/s. Silicon Academy, Delhi
31.	139/92	M/s. Triveni Oil Industries Ltd., New Delhi
32.	167/91	Smt. Amarjeet Kaur, Usha Electronics, Delhi.
33.	115/92	M/s. Alexcon Extension Ltd., Bombay.
34.	398/87	M/s. HUDA.
35.	71/92	M/s. K.P. Land & Finance Co.
36.	150/92	M/s. ION Exchange (I) Ltd., Bombay
37.	171/92	M/s. Pioneer, New Delhi.
38.	134/91	M/s. Nirlon Plastics, Bombay

1	2	3
	UTPE No.	
39.	63/91	M/s. Bharat Watch Company
40.	122/91	M/s. Jay Engineering Works Ltd.
41.	137/91	M/s. Khaitan India Ltd., Calcutta
42.	95/92	M/s. Gandhi Hindi Vidyapeeth, Allahabad
43.	91/92	M/s. Capital Promoters (P) Ltd., Delhi.
<i>For the year 1994</i>		
1.	77/90	Pepsi Food Pvt. Ltd., Chandigarh
2.	16/91	S.K. Agro Enterprises, N. Delhi
3.	151/86	M/s. Delhi Bottling Co. Pvt. Ltd., N.Delhi
4.	157/86	M/s. Haryana Drinks Co. (P) Ltd., Rohtak
5.	69/92	M/s P.C.C.I., Bombay
6.	111/89	M/s Megabyte Computes Academy, Bombay
7.	139/91	Tata Finance & Leasing Ltd.
8.	67/91	Centre for Advanced Research In Education, Trivandrum
9.	179/92	Vitasse Trading Ltd., Bombay
10.	150/90	Shri Astro Aggarwal, Balaji Enterprises
11.	29/92	Coirfoam (P) Ltd., Bombay
12.	136/92	Miles India Ltd., Baroda
13.	8/88	Sh. Shyam Singh, New Delhi.
14.	60/92	M/s. Greenland Developers (P) Ltd.,
15.	247/86	M/s. Voltas Ltd., Bombay & M/s. Shyam Electrical Stores, Kutch.
16.	148/89	M/s. New Udaya Pharmacy & Ayurvedic Medicines, Cochin
17.	20/94	M/s. Nath Laboratory Pvt. Ltd., Hyderabad
18.	58/92	M/s. Lapovan Housing Finance Ltd., New Delhi
19.	416/88	M/s. R.S. Consultancy & Engg., New Delhi
20.	136/91	M/s. Cadbury India Ltd., Bombay
21.	101/91	M/s. TPL, New Delhi
22.	102/91	M/s. TPL, New Delhi
23.	194/89	M/s. Indian Institute of Management, Agra
24.	44/87	M/s. Sidharth Travels Pvt. Ltd., N.Delhi
25.	155/92	M/s. Kinetic Engg. Ltd., Chandigarh
26.	2/91	Educational Consultant, Rajasthan
27.	26/91	The Clinic 2000, New Delhi
28.	29/93	Shri Shesagiri Kakinada
29.	147/92	M/s Hatson Foods (P) Ltd., Madras
30.	125/91	Shri Mohinder Singh Yadav
31.	14/90	M/s Dabikay Information Technology Ltd., N. Delhi
32.	221/86	M/s Scars Elecot Television, Madras and M/s. Coral Electronics Pvt. Ltd., Madras
33.	15/89	M/s Beltek Electronics Ltd., N.Delhi
34.	6/90	M/s Kurukshetra College, New Delhi
35.	97/90	Kiriti Homoeo Foam Ltd.
36.	21/92	Technology Park Ltd., N. Delhi
37.	22/92	
38.	22/92	
39.	24/92	

1	2	3
	UTPE No.	
40.	25/92	
41.	26/92	
42.	22/93	M/s Mewar Textile Mills Ltd.,
43.	28/93	M/s Jainsons, West End, N. Delhi
44.	60/92	M/s Greenland Developers Pvt. Ltd., Bombay
45.	82/91	M/s Ambica Jewellers, Madurai
46.	115/92	Alexcon Extension Ltd., Bombay
47.	20/94	-do-
48.	9/94	M/s Kumaran Stores Ltd.
49.	10/94	-do-
50.	87/91	Sukh Sagar & Co., Bombay
51.	455/87	M/s. GHM Products Ltd., Madras
52.	57/89	Fusion Polymers Ltd., Baroda

For the year 1995

1.	182/86	M/s. Videocon India Ltd., Ahmednagar
2.	40/89	Megabyte Computer Academy, Bombay
3.	47/87	M/s. Inter Food Ltd., & Others, Hyderabad
4.	39/95	M/s. Apple Industries Ltd., Bombay
5.	32/94	M/s. Mahesh Plantations & Research, Bangalore
6.	31/95	M/s. Tradewell Corporation, Rajasthan
7.	46/94	M/s. Amar & Sons, New Delhi
8.	140/94	Sangam Dairy and Others, Hyderabad
9.	108/94	M/s. Kamal Selections, Andhra Pradesh
10.	99/94	M/s. Serling Computers, Chennai
11.	52/94	M/s. Rewalnath Constructions, Pune
12.	54/94	M/s. Asian Academy of Film & TV Institute, NOIDA
13.	63/94	Sun Setellite Vision, New Delhi
14.	31/94	M/s. Ajay Enterprises, New Delhi
15.	59/94	M/s. United Teak Estate Pvt. Ltd., Madras
16.	23/95	GDA, Uttar Pradesh
17.	58/94	Bharat Petroleum Ltd., Bombay.

STATEMENT-II

List of Restrictive Trade Practice Enquiries (RTPE) in which orders were passed by the MRTTP Commission during the years 1993 to 1995

For the year 1993

S.No.	R.T.P. Enquiry No.	Name of the Respondent
1	2	3
1.	92/90	Thermax Ltd., Pune.
2.	145/88	Bayer (India) Ltd., Bombay
3.	128/90	T.O.A. Bhiwadi & another
4.	55/86	Capital Electronics, Calcutta & another
5.	1205/87	Hindustan Vaccum Glass Ltd., New Delhi

1	2	3
	UTPE No.	
6.	25/86	All India Plastic Industries Ltd.
7.	269/88	Duncans Tea Ltd., Calcutta.
8.	36/91	Amar Jeevan Public School, Delhi.
9.	38/90	Mae-gabyte Computer Ltd., Bombay
10.	1659/87	Loyal Machine Works Ltd., Coimbatore
11.	32/85	Saraiella Glass Works (Pvt.) Ltd., Bihar
12.	131/85	Pharmaceuticals Wholesalers Association & others.
13.	78/90	Trans India Medical Pvt. Ltd., Bombay
14.	24/92	Faridabad Complex Transporters and Truck Operators Union, Faridabad.
15.	37/83	The Chemists & Druggists Association, Jaipur.
16.	96/92	Bajaj Auto Ltd., Pune.
17.	31/91	Rajasthan Sammelan, Bombay.
18.	316/88	Maharashtra Scooter Ltd., Pune
19.	43/92	Dr. Radhakrishnan International School, New Delhi.
20.	6/93	Udyog Vihar Ind. Assn., Rajasthan <i>Versus</i> Janata Truck Union, Rajasthan.
21.	30/92	Bhagwandin Gaya Prasad, Kanpur.
22.	47/91	S.B. Gas, Bhopal.
23.	136/92	Hangasa Gas Agency.
24.	2/93	Arun Gas Service.
25.	19/92	Byford Leasing Ltd., New Delhi.
26.	2/91	Mohan Investment & Properties Ltd.

For the Year 1994

1.	347/88	Parle Products Pvt. Ltd., Bombay
2.	78/84	Premier Tyres Ltd., & others
3.	91/85	The Chemists and Druggists Association, Bombay
4.	62/92	Ephee Agency, Baroda.
5.	31/93	Iyer Corporation of India Limited, Calcutta
6.	135/89	Board of Control for Cricket of India, Bombay
7.	591/91	M/s. Sippani Automobiles, Bangalore.
8.	40/92	Kanpur Gas & Allied Agencies, Kanpur.
9.	101/92	Langkuie Gas Agency, Shillong.
10.	103/90	Truck Operators Union, Panipat.
11.	101/90	-do-
12.	97/90	Unani Mandi Goods Transport Co. & Others.
13.	24/93	Mamta Gas Agency, Kanpur.
14.	14/93	Cement Corporation of India, New Delhi.
15.	131/80	Junior Tiny Torts School, Calcutta.
16.	30/91	The Madras Jewellers & Diamond Merchants Assn., Madras.
17.	79/90	M/s. All India Soft Drink Mfg. Assn. Vs. Jennez Bottlers Pvt. Ltd., & Others.
18.	144/92	Maya Gas Service, Guwahati.
19.	38/93	M/s. Tripti Gas Service, A.P.
20.	361/88	Kirloskar Oil Engines Ltd., Pune.
21.	387/88	Depha Data Inch Ltd., Calcutta
22.	272/88	-do-

1	2	3
	UTPE No.	
23.	61/89	M/s. L.M.L. Ltd., Kanpur.
24.	121/88	Bayer India Ltd. Bombay
25.	56/92	M/s. Bharat Electronics Ltd., Bangalore
26.	122/86	M/s. Voltas Ltd., Bombay.
27.	202/86	-do-
28.	121/88	-do-
29.	200/86	-do-
30.	125/86	-do-
31.	126/86	-do-
32.	130/86	-do-
33.	131/86	-do-
34.	134/86	-do-
35.	197/86	-do-
36.	198/86	-do-
37.	199/86	-do-
38.	483/86	-do-
39.	554/86	M/s. Voltas Ltd., Bombay.
40.	637/86	-do-
41.	459/88	M/s. Band Box Pvt., Ltd., New Delhi.
42.	458/88	M/s. Snow White Dry Cleaners, New Delhi.
43.	130/90	M/s. Ellora Art Industries., Bombay
44.	50/89	Sirmur Truck Operators Union.
45.	6/94	Blue Star Ltd., New Delhi.
46.	1/87	Bhilwara Truck Transport Union.
47.	51/92	Laxmangarh Gas Service, Rajasthan.
48.	93/90	The Association of Dentrals and Traders of India, Bombay
49.	100/90	Truck Operators Union, Haryana.
50.	44/89	Raj Sudha Towers Pvt. Ltd., New Delhi.
51.	99/92	Arvand Gas Service, Rohtak.
52.	132/84	M/s. Tuticorin Alkali Chemicals & Fertilizers Ltd.,
53.	103/89	Vidya Niketan Primary School & others, Bangalore
54.	57/93	Anand Construction (Delhi) Pvt. Ltd.,
55.	48/93	Sandesh Gas Suppliers (Bharat Gas Distributors)
56.	490/87	M/s. Olokilen Plants & Equipment Ltd., Bombay
57.	45/92	M/s. Gayatri Gas Service, Hamirpur
58.	65/92	M/s. Tanushree Gas Service, Delhi
59.	22/92	Kamlesh Gas Agency, Madhya Pradesh.
60.	108/92	Sheela Gas Agency, Lucknow.
61.	98/92	Nanak Dairy Plant, Delhi.
62.	400/88	Jaina Properties Pvt. Ltd.
63.	98/90	Karnal Truck Operator Union, Karnal.
64.	53/91	Gangadharan Appliances., Madras
65.	46/92	Gupta Saluja & Co., Kanpur.

1	2	3
	UTPE No.	
66.	16/93	M/s Moonbean Ind. Ltd., Delhi.
67.	1594/87	Calama Industries Pvt. Ltd.
68.	140/92	Anubhav Gas Agency.
69.	90/92	M/s United Gas Agency, Ahmednagar.
70.	49/92	M/s R.T. Karachiwala, Maharashtra.
71.	37/93	M/s Mehar Capacitors Pvt. Ltd., Bangalore
72.	49/89	Rajendra Properties Pvt. Ltd., New Delhi.
73.	51/92	Laxmangarh Gas Service, Sikkim.
74.	44/89	Raj Sudha Tower Pvt. Ltd., New Delhi.
75.	38/94	Shadi Ram Bal Mukand, Saharanpur.
76.	48/93	M/s. Sandesh Gas Suppliers, Pune.

For the Year 1995

1.	46/91	All Kerala Distributors Association & Others, Kerala
2.	53/92	The Bombay Cotton Waste Merchants Association & Others, Bombay.
3.	9/91	Megatype Compters, Academy, Bombay.
4.	14/91	Bajaj Electronics, Bangalore.
5.	478/88	St. Francis Desales Senior Secondary School, Calcutta.
6.	2/92	Somaveillas School, N. Delhi
7.	68/92	M/s. Tanslektra Domestic Products Pvt. Ltd., Bombay
8.	61/92	M/s. Shri Kripa Gas Agency.
9.	23/92	Skipper Towers Pvt. Ltd., New Delhi.
10.	3/93	M/s. Jyothi Gas Agency, Guwahati
11.	62/88	M/s. Kothari Products Pvt. Ltd., Kanpur
12.	91/94	M/s. Pas Petro Products, Chennai.
13.	83/92	Alok Gas Service, N. Delhi
14.	78/92	Jena Properties Pvt. Ltd., New Delhi
15.	52/92	M/s. Ameen & Co.,
16.	103/94	M/s. Ekta Vihar Cooperative Group Housing Society Ltd., N. Delhi
17.	25/93	M/s. Malti Saha, N. Delhi
18.	76/94	M/s. Novatek A & TC Pvt. Ltd., Bangalore
19.	83/89	India Rest Control Co. Bhopal & Others.
20.	1616/87	Peico Electronics, Bombay
21.	75/94	Chawla Bakers, N. Delhi.

Revival of BCCL

495. SHRI PRADIP BHATTACHARYA : Will the Minister of COAL be pleased to state :

(a) whether Bharat Coking Coal Limited is facing acute resource crunch and has become sick;

(b) if so, the details thereof; and

(c) the corrective steps the Government propose to take to revive this ailing company?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Yes, Sir.

(b) At the end of the financial year 1994-95, the accumulated loss of Bharat Coking Coal Limited (BCCL) was Rs. 1293.03 crores. The paid up capital of the company as on 31.3.95 was Rs. 1122 crores. Therefore, the company had a negative net worth of Rs.171.03 crores as on 31.3.95. Accordingly, BCCL was registered as a sick company under section 3(i) (0) of the Sick

Industrial Companies (Special Provisions) Amendment Act, 1993 by the Board for Industrial and Financial Reconstruction on 18.12.95.

The company has been facing acute resource crunch owing to following reasons:-

- (i) Low administered prices of coal fixed in the past not being commensurate with the high cost of production.
- (ii) Payment of arrears of salary and wages pursuant to the National coal Wage Agreement-V.
- (iii) Low productivity, particularly in the underground coal mines which are in a large number in the company
- (iv) Large outstanding dues receivable by the company on account of credit sales to State Electricity Boards, power houses and Steel Authority of India Limited.
- (v) Poor geo-mining conditions coupled with built-up areas and mine fires as well as inundation in coal mines.

(c) In March, 1996, the Government deregulated pricing of coking coal and A,B and C grades of non-coking coal. Accordingly, Coal India Limited (CIL) has revised the prices of these grades with effect from 1.4.96 and again from 20.10.96. These revisions have improved the sales realisation of BCCL.

The Government has also granted waiver of CIL's overdue nominal interest on outstanding plan loans upto 31.3.92 to the tune of Rs. 891.75 crores. A part of this waived amount was decided to be utilised to wipe out the accumulated loss of BCCL. The share of BCCL came to Rs. 502.75 crores and the same has been accounted for in the financial account of the company for the year 1995-96

As on 31.3.96, the paid-up capital of the company stood at Rs. 1122 crores and the accumulated losses at Rs.1191 crores, thereby bringing the negative net worth down to Rs.61 crores. The CIL plans to adopt some other methods like financial restructuring and further financial support to BCCL to revive the ailing company.

New Customs Plan to Detect Frauds

496. DR. M. JAGANNATH : Will the Minister of FINANCE be pleased to state :

(a) whether India has submitted a new customs strategic plan at the regional contact point meeting of the customs administrations of the Asia-Pacific of the world customs organisations;

(b) if so, the details thereof;

(c) the outcome of the said meeting; and

(d) the steps taken to detect frauds by the customs authorities?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir. India has submitted a new Regional strategic Plan on Customs at the Sixth Meeting of the Regional Contact Points of the Customs administrations in September, 1996.

(b) The said Regional Strategic Plan identifies following five objectives that the Customs Administrations would strive to achieve over the next two years (1997-1998).

- (1) Enhancement of the effectiveness of the customs Administrations.
- (2) Harmonisation and Simplification of Customs Procedures and Practices.
- (3) Effective implementation of the WTO Agreement on Valuation.
- (4) Uniform application, updating and promotion of the Harmonised System.
- (5) Human Resource Development.

(c) The Regional Contact Points Meeting approved the plan, subject to its endorsement by the Heads of Customs and also agreed to operationalise the same from January 1, 1997.

(d) The Plan has also identified steps to enhance co-operation amongst Customs Administrations and for greater sharing of information with a view to improve detection of frauds by them. These steps include negotiation of bilateral or multilateral customs co-operation agreements, creation and strengthening of the Regional Intelligence Liaison Office at Hong Kong, Feasibility study for a mechanism to exchange commercial documents and training of officers in enforcement matters.

Besides, the Customs Department is making constant endeavour to upgrade the preventive and intelligence machinery and the skills of its officers and to improve collection of information and intelligence and targeting of riskprone consignments through the increased use of computerisation and profiling of importers and exporters.

Production of Coffee

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

(a) the target fixed for producing coffee in the Eighth Plan period and the achievements made so far; and

(b) the projection made for the production of coffee in the Ninth Plan?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The targets and achievements in the production of coffee

during the Eighth Plan are as under :-

(in tonne)		
Year	Production Target	Achievements
1992-93	185500	169395
1993-94	191000	208000
1994-95	210000	180100
1995-96	225000	223000
1996-97	242000	

(b) the tentative projections proposed for the production of coffee in the Ninth Plan are as follows

(in tonne)	
Year	Production Target
1997-98	225,000
1998-99	240,000
1999-00	260,000
2000-01	280,000
2001-02	3000,000

Experts Committee on Corporate Governance

498. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) whether the Experts Committee on Corporate Governance has submitted its report to the Government;

(b) if so, the details of the important observations and recommendations made by the Committee;

(c) the reaction of the Government thereto; and

(d) the details of decisions taken thereon?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Government has not constituted any expert committee on corporate Governance. However, Government had suggested to some of the Financial Institutions namely IDBI, ICICI and UTI to study the practices of Corporate governance by major Indian Corporates vis-a-vis the recommendations of the Cadbury Committee.

(b) Few of the observations of the study are as follows:

- The best practices of corporate governance were followed by Corporates with low promoters' holding and those with strong influence of multinational collaborators.
- The number of board meetings should be at least 6 per year to ensure effective governance by the board.
- The non-executive directors together with nominees of financial institutions/banks should form a simple majority in the board.
- The presence of independent directors on the board could be restricted to 2-3 terms so as to ensure their independence.

- The prudent norms on short-term investments should be evolved and refined.

- The constitution of Audit Sub-Committees should be made a statutory requirement.

(c) and (d). Financial Institutions have discussed the matter with the Confederation of Indian Industry (CII) and CII has set up a task force on corporate Governance.

K.V.I.C.

499. SHRI G. VENKAT SWAMY : Will the Minister of INDUSTRY be pleased to state :

(a) whether according to the Action Plan approved by the Government Khadi and Village Industries Commission was to receive Rs.5600 crores (Rs.1865 crores through budgetary support and Rs.3735 crores through institutional finance); and

(b) if so, how much amount has since been released and by when the remaining amount is likely to be released?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). In accordance with the Action Plan prepared for implementing the recommendation of the High Power Committee for generating two million additional jobs through the Khadi and Village Industry (KVI) activities, a programme at an estimated outlay of Rs.5600 crores is required to be implemented by the Khadi and Village Industries Commission (KVIC).

Out of this estimated cost of the programme, 1/3rd amounting to Rs.1865 crores is to be met out of budgetary grants and the remaining 2/3rd amounting to Rs.3735 crores is to be raised from the banks and financial institutions. While KVIC has already launched the programme on 2nd October, 1995, the actual inflow of funds depends on the absorption capacity of the implementing agency and sanction of loans by the banks.

Government have released additional amount of Rs.130 crores last year for the programme and a budget provision for a similar amount has also been made during the current year of the programme. Government have also given a guarantee for a loan of Rs.1000 crores from the consortium of banks in favour of KVIC for on lending to viable KVI projects either directly by the KVIC or through the State KVI Boards. About Rs.325 crores have already been drawn by the KVIC from this line of credit.

Subsidence of Land in Jharia

500. SHRI BASUDEB ACHARIA : Will the Minister of COAL be pleased to state :

(a) whether the Government are aware that Jharia town is under serious threat of subsidence and the Katras More, Chouthai Kulhi, Pahari, Husenabad and

Sadhan Kuthir areas of the town are shrinking and about one lakh people have been affected; and

(b) if so, the steps the Government propose to take to stop subsidance and to compensate the affected people?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) As per information received from Coal India Limited (CIL), Katras More, Chouthai Kulhi, Hosanabad areas including the house named 'Sadhan Kutir', in and around the Jharia town which have unauthorised building constructed over land vested with Bharat Coking Coal Limited (BCCL) are vulnerable to subsidance. BCCL has been publishing appeals in local newspapers informing the residents about the situation and requesting them to vacate.

Subsequent to appearance of tension cracks on surface buildings at Katras More on 27.10.1996, district Administration after site investigation have estimated 219 houses in these localities to have developed cracks. According to an 'Expert Committee' cracks affecting the houses have developed due to movements in the old goaves triggered by underground fire.

(b) Dy Commissioner, Dhanbad after inspecting the affected sites is of the opinion that shifting of inhabitants in houses over non-coal bearing areas is the only solution. District Administration has requested the State Government of Bihar for financial assistance for initiating action to shift the affected persons. Deputy Commissioner, Dhanbad requested BCCL to pay Rs.15 lakhs purely on compassionate and humanitarian grounds for helping such affected families who are poor. This request of Deputy Commissioner, Dhanbad has been acceded to by the BCCL management.

Export Quota for Powerloom Sector

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

(a) whether the Government propose to increase the textiles export quota for powerloom sector;

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

(c) the likely impact of such increase on powerloom sector and country's economy?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) to (c) In the new Textile Export Entitlement Policy (Quota Policy) 1997-99 announced on 14.10.96, the percentage level of Powerloom Exporters' Entitlement (PEE) System has been increased from 5% to 10%.

It is too early to make an accurate assessment on the likely impact of such increase on powerloom sector and country's economy.

Backlog of SCs/STs in Banks

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

(a) the details of backlog of SC/ST posts in the nationalised banks during the last one year which still remaining unfilled;

(b) the steps taken to clear the backlog;

(c) whether Government propose to fix some target date for clearance of this backlog; and

(d) if so, the probable date thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) As per available information, the total backlog in respect of 19 nationalised banks is as under :-

(Data Provisional)

Cadre	Backlog as on 1.7.1996	
	SC	ST
Officers	108	62
Clerks	553	445
Sub-staff	297	613

(b) the steps taken by the Government from time to time to fill up the reserved vacancies for SCs and STs in nationalised banks have been as under :-

- (1) Special recruitment drives have been carried out during the years 1989, 1990, 1992, 1993-94 and 1995-96.
- (2) The recruitment and representation position of the SCs and STs in the nationalised banks is reviewed through a comprehensive proforma by the Boards of Directors of each of the nationalised banks every six months and the position is being reported to the Government;
- (3) Pre-recruitment training is being imparted by all banks to the candidates appearing for the BSRB examinations;
- (4) Establishment of Centres for examination nearest to the areas of concentration of the ST population; and
- (5) Banks have been advised to hold training workshops for the personnel working in their SC/ST cells to make them fully aware of the need for implementation of the reservation policy.

(c) and (d). No cut off date can be fixed for clearance of backlog as many nationalised banks have signed Memoranda of Understanding (MOU) with Reserve Bank of India which inter-alia prohibit fresh

recruitment for certain period. The backlog in these banks can be cleared after they are permitted to make fresh recruitment. Some of the banks are however participating in special Recruitment drive for SCs and STs which is ending on 31.3.1997.

Manufacture of Cigarettes

503. SHRI SOMJIBHAI DAMOR : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have granted approval to manufacture cigarettes by Phillip Morris Overseas Investment Corporation, USA and other Multinational companies;

(b) if so, the details thereof;

(c) whether the Government are aware of reports appeared in Business World dated 16-29th October, 1996, regarding manufacturing and launching of Marlboro cigarettes in the domestic market by multinational companies and its effectes;

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

(e) whether manufacturing of cigarettes has been brought outside the purview of licensing even under foreign collaboration; and

(f) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). No foreign collaboration approval has been granted to M/s. Phillip Morris Overseas Investment Corporation, USA for the manufacture of cigarettes. During the last four years only M/s. R.J. Reynolds Tobacco International SA, Switzerland have been granted approval for setting up a joint venture in India with 50% foreign equity participation for the manufacture of Cigarettes.

(c) and (d). Yes, Sir. No proposal has, however, been received so far for the manufacture and launching of Marlboro cigarettes from any foreign company.

(e) No, Sir. Manufacture of cigarettes attracts compulsory licensing under the industries (Development & Regulation) Act, 1951.

(f) Does not arise.

Gross Domestic Products

504. SHRI RAM NAIK : Will the Minister of FINANCE be pleased to state :

(a) whether the estimates of gross domestic product (GDP) during 1995-96, which were announced during July 1996, are likely to be revised downwards; and

(b) if so, the reasons thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The advance estimates for the gross domestic product (GDP) announced by the

Central Statistical Organisation in July 1996 have been revised incorporating latest estimates of agricultural production and industrial production. The GDP for the year 1995-96 at factor cost at constant (1980-81) prices is now estimated at Rs. 2,67,461 crore (as against Rs. 2,68,671 crore estimated earlier. This adjustment has been necessitated due to lower growth estimate of GDP at factor cost at constant prices for agriculture, forestry and fishing sector. This is now placed at 0.9 per cent compared with 2.4 per cent estimated earlier.

Import Duty on Rubber and Edible Oil

505. SHRI P.C. THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether there is a heavy demand to withdraw the reduction of import duty on natural rubber and edible oils; and

(b) If so, the response of the Government thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Government has examined the representations seeking restoration of pre-budget rates of import duty on natural rubber and edible oils. It has not been found possible to accede to such request.

Amendment in Patent Law

506. SHRI BHAKTA CHARAN DAS :
SHRI JAGAT VIR SINGH DRONA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether attention of the Government has been drawn to the news appearing in the Indian Express dated August 10, 1996 captioned "India to face retaliation if Patent Laws do not toe global lines";

(b) whether the Government propose to amend the Patent Law in Line with the international laws;

(c) if so, the details of the proposed amendments; and

(d) by when a final decision is likely to be taken in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d). The World Trade Organisation (WTO) Agreement, inter-alia, contains an agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs) in respect of provisions concerning Intellectual Property Rights. Apart from the obligations which arose from January 1, 1995, India has time till January 1, 2000 to implement its obligations under the TRIPs Agreement and till January 1, 2005 to introduce product patents in the areas of technology not protected so far. For this purpose we have embarked on wider consultations.

Replies to Letters of Members of Parliament

507. SHRI RAM SAGAR : Will the Minister of FINANCE be pleased to state :

(a) the number of letters pertaining to the affairs of the private and public sector banks received by the Government and the Governor, Reserve Bank of India from the Members of Parliament during 1996 till date;

(b) the number of letters still pending for final replies;

(c) the reasons for delay in giving replies thereto; and

(d) the time by which the replies to the pending letters are likely to be sent?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The information is being collected and will be laid on the table of the House.

Mahila Courts

508. SHRI VIJAY GOEL : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether some Mahila Courts have been set up in Delhi two years ago to deal with the cases related to crimes against women;

(b) if so, the number of such courts set up and their locations;

(c) whether these courts are over burdened with cases;

(d) if so, the number of cases pending finalisation with these courts as on date;

(e) the reasons for the accumulation of such a large number of cases; and

(f) the steps taken by the Government to expeditious settlement of the pending cases?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b). As per information available, 4 Mahila courts, one court of Additional Sessions Judge at Tis Hazari and 3 Court of Metropolitan Magistrates, one court each at Tis Hazari, New Delhi and Karkardooma (Shahdara) are functioning with effect from 1.9.1994.

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

Development of Export Centres

509. SHRI V.M. SUDHEERAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Union Government have received any detailed feasibility report from the Government of

Kerala and other states on identified centres to be developed as Export Intensive Areas for necessary clearance;

(b) if so, the details thereof; and

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

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

(b) and (c). A statement is laid on the Table of the House.

STATEMENT

Ministry of Commerce has received feasibility reports from Government of Kerala for Aroor and Kalavoor to be developed as Export Intensive Areas in Kerala. The Government of India had considered the formulation of a scheme for infrastructure support to Export Intensive Areas in 1994. However, the proposed scheme was not approved by the Planning Commission. The objectives sought to be achieved through infrastructure support to Export Intensive Areas have been incorporated under the new scheme titled 'Crucial Balancing Investment Scheme'.

Proposals for removal of infrastructure bottlenecks for exports from the Government of Kerala and other states have been considered under the 'Crucial Balancing Investment Scheme' of this Ministry. The empowered committee granted in principle approval for Government of India's participation to the extent of 1.05 crores for Aroor, for which certain clarifications have been sought from the Government of Kerala. The proposal for Kalavoor was, however, not accepted and the State Government was advised to take it up as a separate plan scheme in consultation with the Ministry of Industry, Government of India.

Confederation of Indian Industry

510. SHRI BIR SINGH MAHATO :
SHRI CHITTA BASU :

Will the Minister of COMMERCE be pleased to state :

(a) whether a delegation on behalf of Confederation of Indian Industry (CII) visited China in September, 1996;

(b) if so, the details thereof and the result of the talks between CII delegation of India and the representatives of the All China Federation of Industry and Commerce; and

(c) the reaction of the Government to the outcome of this bilateral talks at non-official level?

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

(b) and (c). **Confederation of Indian Industry (CII)** which is not a Government organisation, led a high powered delegation to China between September, 13th and 20th, 1996. Besides attending the meetings arranged by the World Economic Forum, the delegation also met with representatives of the All China Federation of Industry & Commerce (ACFIC). Areas of discussion covered a wide range of topics such as agro products, auto components, marine products, pharmaceuticals, chemicals, refractories, electronics etc.

The Formal Report of CII about these discussions is still awaited, on the receipt of which appropriate action can be considered.

Powerloom Service Centres

511. **SHRI SHIVRAJ SINGH CHAUHAN :**
SHRI RAVINDRA KUMAR PANDEY :
SHRIMATI BHAVNA CHIKHALIA :
SHRI RAMESHWAR PATIDAR :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government propose to set up powerloom service centres in the country during the Eight Five Year Plan;

(b) whether the locations of the proposed centres have been selected;

(c) if so, the details thereof and the criteria for their selection;

(d) whether any priority has been given to those places where labourers have been rendered jobless owing to the closure of sick textile mills; and

(e) if so, the details thereof?

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

(a) to (e). Yes, Sir. During the Eight Five Year plan the following Powerloom Service Centres have been opened :-

S.No	Year	Name of Place	Name of State
1.	1992-93	Bangalore	Karnataka
2.	1992-93	Komarapalayam	Tamil Nadu
3.	1992-93	Dholka	Gujarat
4.	1993-94	Sachin	Gujarat
5.	1993-94	Betagiri	Karnataka
6.	1993-94	Huzurabad (Karimnagar)	Andhra Pradesh
7.	1993-94	Bhiwandi	Maharashtra
8.	1994-95	Alwar	Rajasthan
9.	1994-95	Salem	Tamil Nadu
10.	1994-95	Somanur	Tamil Nadu
11.	1994-95	Pandesara	Gujarat
12.	1995-96	Jabalpur	Madhya Pradesh
13.	1995-96	Kannur	Kerala
14.	1995-96	Bhagalpur	Bihar

The Locations of these Powerloom Service Centres have been decided on receipt of suggestions/proposals from State Governments and on the basis of areas of Powerloom concentration. These centres cover variety of functions such as training on loom maintenance, improve knowledge in weaving for producing better quality cloth, guide about modernisation, guidance on marketing and export opportunities through seminars and workshops, provide testing facilities, technical consultations, design development and diversification. These centres are used as nodal points for transmitting knowledge and technique through field visits and as co-ordinating points in bringing their problems to the knowledge of the State and the Central Government authorities. The powerloom service centres also popularise various schemes of Government of India like Life Insurance Scheme for Powerloom Workers, NABARD and SIDBI refinance scheme for modernisation and renovation of powerloom units.

[Translation]

Coloured Cotton Yarn

512. **SHRI KACHARU BHAU RAUT :** Will the Minister of TEXTILES be pleased to state :

(a) whether the Government provide coloured cotton yarn to powerloom sector on concessional rates;

(b) if so, the details thereof; and

(c) if not, the steps taken by the Government to help the small powerloom who are facing hardship to get coloured cotton yarn for their industries?

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

(a) No, Sir. The Central Government does not provide any coloured cotton yarn to powerloom sector at concessional rates.

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

[English]

Multilateral Agreement on Investment

513. **DR. MURLI MANOHAR JOSHI :** Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have formulated its approach to multilateral agreement on investment (MAI) draft of the Organisation of Economic Cooperation and Development (OECD);

(b) if so, the details thereof;

(c) the manner in which the Government propose to safeguard the national as well as third world interests in the face of liberalised investment regime; and

(d) if not, the reasons for the delay?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d). India is not a member of the OECD and hence is

not associated with the negotiations of Multilateral Agreement on Investment being finalised in that Organisation. Any MAI which may be agreed upon by OECD countries, is not binding on India.

[Translation]

Law Courses

514. SHRI PANKAJ CHOWDHARY : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government have envisaged any plan to bring qualitative improvement in the law courses;

(b) if so, the details thereof;

(c) whether the Government propose to set up a high level institute for this purpose; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b). The Bar Council of India has organised a consultative meeting of State Bar Councils, Universities, University Grants Commission and State Governments etc. in association with the National Law School of India University at Bangalore during 12-14 October, 1996 to ascertain their views to effect qualitative changes in the legal education.

(c) and (d). No, Sir.

Closure of Coal Mines

515. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) the names and the number of coal mines under all the subsidiary units of the Coal India Limited which were closed down after the nationalisation of the coal industry;

(b) the reasons and dates of their closure;

(c) whether any of these coal mines have since been reopened;

(d) if so, the details thereof; and

(e) the names of the coal mines which are proposed to be reopened in future?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c). At different points of time since nationalisation, 125 coal mines were closed in various subsidiaries of Coal India Limited (CIL). The details of the closed mines alongwith the reasons for closure are given in the statement.

Since these mines were closed on account of exhaustion of extractable reserves in the working seams and non-viable stripping ratio in case of the opencast mines and safety reasons, none of the 125 closed mines could be opened so far.

(d) Does not arise in view of the answer to parts (a) to (c) of the question.

(e) CIL does not have any proposal for reopening of any of these closed mines.

STATEMENT

Coal Mines closed since Nationalisation

S.No.	Name of Mine	Year of closure	Reasons of Closure
1	2	3	4
EASTERN COALFIELDS LTD.			
1.	Sanctoria	76-77	Exhaustion of Reserve
2.	East Jamehari	76-77	Exhaustion of Reserve
3.	Ratibati 5&6	78-79	Exhaustion of Reserve
4.	KLS Chalbalpur	81-82	Exhaustion of Reserve
5.	Chalbalpur Khas	80-81	Exhaustion of Reserve
6.	New Jameharikas	79-80	Exhaustion of Reserve
7.	Pure Searsole	78-79	Exhaustion of Reserve
8.	Damoda	83-84	Exhaustion of Reserve
9.	Seetaldasji	79-80	Exhaustion of Reserve
10.	Belrui disergarh	75-76	Exhaustion of Reserve
11.	North Brock	82-83	Exhaustion of Reserve
12.	Gogla/Adjoy Bank	79-80	Exhaustion of Reserve
13.	Manderboni 1, 2 & 4	75-76 & 92-93	Exhaustion of Reserve

1	2	3	4
14.	Deoli	73-74	Exhaustion of Reserve
15.	B.Dhemo/Ramjibanpur	73-74	Exhaustion of Reserve
16.	Banksimuli 7 & 8	74-75	Exhaustion of Reserve
17.	Brights Rana	74-75	Exhaustion of Reserve
18.	Madhusudanpur 1 & 2	78-79	Exhaustion of Reserve
19.	Central Jamuria	86-87	Exhaustion of Reserve
20.	Nabakajora/Ghansyam	84-85	Exhaustion of Reserve
21.	Jote Janki	78-79	Exhaustion of Reserve
22.	Ratibati OC	81-82	Exhaustion of Reserve
23.	Purusottampur OC	88-89	Exhaustion of Reserve
24.	Nimcha OC	87-88	Exhaustion of Reserve
25.	Sheebpur OC	83-84	Exhaustion of Reserve
26.	Mahabir OC	79-80	Exhaustion of Reserve
27.	New/Central Satgran	88-89	Exhaustion of Reserve
28.	Alkusha Gopalpur OC	84-85	Exhaustion of Reserve
29.	Benalee	88-89	Exhaustion of Reserve
30.	Kenda/Dobrana OC	77-78	Exhaustion of Reserve
31.	Darula	87-88	Exhaustion of Reserve
32.	Krishanagar	89-90	On Safety Ground
33.	Seetalpur	90-91	Geo-Mining Condition
34.	Shankarpur	78-79	Fire/Safety Ground
35.	Girimint	89-90	Fire/Drowning of PITs
36.	Rana	89-90	Exhaustion of Reserve
37.	Mahabir	93-94	Drowning of PITs
38.	Kankartalla 1 & 2	88-89	Being Worked through other incline
39.	Tara	92-93	Danger of Inundation being offered to WB Govt. for Captive Power Plants
40.	Dhandadih OC	93-94	Safety Consideration Dewatering of Developed workings proposed to be worked by opencast might lead to subsidence in & around Harishpur Village
41.	Barmondia	93-94	Exhaustion of Reserve
42.	Dabor OC	93-94	Exhaustion of Quarriable Reserve
43.	Gangaram Chak	93-94	Exhaustion of Quarriable Reserve
44.	Poidih OC	91-92	Exhaustion of Reserve
45.	Ranipur	93-94	Exhaustion of Reserve
46.	Dalurband OC	96-97	Exhaustion of Reserve
47.	Palasthali	93-94	Exhaustion of Quarriable Reserve
48.	Chapapur-1	87-88	Exhaustion of Reserve
49.	Badjna/Fusai OC	91-92	Exhaustion of Quarriable Reserve
50.	Kapasara OC	92-93	Exhaustion of Quarriable Reserve
51.	Lalmatia UG	89-90	Exhaustion of Quarriable Reserve
52.	Lalmatia OC	85-86	Exhaustion of Quarriable Reserve
53.	Shampur-A	96-97	On Safety Ground
54.	Dalmiya OC	95-96	Exhaustion of Quarriable Reserve
BHARAT COKING COAL LIMITED			
55.	Murlidih	90-91	Exhaustion of Minablereserve

1	2	3	4
56.	Bera OC	88-89	Mine Reached Techno-Economic Limit
57.	ENA	96-97	Techno-Economic and Safety considerations
58.	Basdeopur OC	89-90	Mine Reached Techno-Economic Limit
59.	Laxmi OC	89-90	Mine Reached Techno-Economic Limit
60.	Tasra OC	86-87	Mine Closed due to Inrush of water from adjoining Damdodar River and land aquisition problem
61.	Jhunkundar OC	88-89	Exhaustion of Mineablereserve
62.	Victoria	85-86	Due to Fire in the Working Seam
63.	Kankanee	96-97	Mine Reached Techno-Economic Limit
64.	Kenduadih	89-90	Techno-Economic/Safety Ground
65.	Dharmaband	93-94	On Techno-Economic Ground
66.	South Tisra	95-96	On Techno-Economic Ground
67.	Kujama	95-96	Fire and Techno-Economic Ground
68.	Gaslitand	95-96	Drowning of Mine in Sept'95 due to Unprecedented Rain and Fire in Different Seam
69.	Bhurungia	95-96	Techno-Economic/Safety Ground
70.	Teturiyo	95-96	On Techno-Economic Ground

SOUTH EASTERN COALFIELDS LIMITED

71.	Domnara OC	93-94	Due to Poor Off-Take
72.	Burhar No.3	94-95	Exhaustion of Reserve
73.	Rungta	94-95	Unviable due to Poor Grade of Coal
74.	North Jhakrahand	93-94	Exhaustion of Reserve
75.	Burhar No.1	94-95	-Do-
76.	Pure Chirimiri	75-76	-Do-
77.	Korba 1&2	78	-Do-
78.	Korba 3&4	80	-Do-
79.	Chachai OC	82	-Do-
80.	Banki 5&6	83	-Do-
81.	Jarwahi OC	83-84	On Techno-Economic Ground
82.	New Jhimar	86	Exhaustion of Reserve
83.	Banki 7&8	89	-Do-
84.	S.Jhakrahand-Old	89	-Do-
85.	Ramnagar	91	-Do-

WESTERN COALFIELDS LIMITED

86.	Barkuhi UG	85-86	-Do-
87.	Barkuhi West UG	75-76	-Do-
88.	Bhamori Jhantachaoa	94-95	-Do-
89.	Datla East UG	84-85	-Do-
90.	Datla West	90-91	-Do-
91.	Dhao	73	-Do-
92.	Shibpuri OC	92-93	-Do-
93.	Ghorawari Hirdagar	79-80	-Do-
94.	Ghorwari Kalan	79-80	-Do-
95.	Ballarpur OC	88-89	Amalgamated with Ballarpur OC Expn. Project
96.	Kalichapar	73	Exhaustion of Reserve

1	2	3	4
97.	Newton Chikli	89-90	Exhaustion of Reserve
98.	N. Chandametta	91-92	-Do-
99.	Nandora	74-75	-Do-
100.	Sial Ghogri	85-86	-Do-
101.	Nakoda OC	88-89	-Do-
102.	Sastipit		-Do-
103.	Ballarpur 1&2	77-78	-Do-
104.	Robbartson Inc/ Belbora Inc/Ghughus	95-96	-Do-
105.	Kumda OC	93-94	-Do-
106.	New Majri No. 1		-Do-
107.	Dhuptala OC	95-96	-Do-
108.	Shibpuri-2OC	92-93	-Do-
109.	Taroda OC	92-93	-Do-
110.	Sethia OC	92-93	-Do-
111.	Bellorra OC	96-97	-Do-
112.	N. Dhuptala RRR OC	95-96	-Do-
113.	Rakhikole	95-96	-Do-
114.	Chikalmu	86-87	-Do-
115.	Umrer	85-86	Amalgamated with Umerer Project
CENTRAL COALFIELDS LIMITED			
116.	Semra	96-97	Exhaustion
117.	Pakri Barwadih	74-75	Lack of Infrastructure
118.	Sugia OC	95-96	Exhaustion of Reserve
119.	Pure Dhor	88-89	Converted to OCP
120.	Mael UG	80-81	Amalgamated to Rajarappa
121.	Chalkari	83-84	Exhaustion
122.	Karkatta	89-90	Converted to OCP
123.	Dhodidih	89-90	Exhaustion
124.	Gidhanja	76-77	To be Worked through Other Mine
125.	Rauta	76-77	Exhaustion

[English]

Shortage of Staff in R.B.I.

516. SHRI VIJAY PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has been facing shortage of staff during recent years and is unable to effectively perform its role in the monitoring of the banking system;

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

(c) the measures proposed to enable the RBI to carry on its responsibilities effectively?

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

Central Statistical Organisation

517. SHRIMATI MEIRA KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has decided to fully fund the Central Statistical Organisation's data collection computerisation programmes; and

(b) if so, the details of the extent and the terms and conditions of the proposed funding?

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

(b) Does not arise.

Study on Domestic Saving

518. SHRI SONTOSH MOHAN DEV : Will the Minister of FINANCE be pleased to state :

(a) whether recent study conducted by confederation of Indian Industries (CII) on domestic savings in India has suggested a multipronged approach to give fillip to the low savings ratio in India;

(b) if so, the other suggestions made in the study report;

(c) whether the Government have examined them; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The Ministry is in receipt of the study entitled Domestic savings in India : A Note prepared by the confederation of Indian Industry. The said study has made a number of suggestions aimed at mobilisation of savings. To this end, suggestions among others essentially seek to ensure maximum real rate of return, risk minimisation, lower direct taxes, rationalisation of Government expenditure, reduction in fiscal deficit etc.

For promoting savings it is imperative to improve the parameters which have a bearing on savings behaviour. These include rate of growth in the economy, level of fiscal deficit, tax policies, inflation, efficiency of the banking system and the capital market and confidence in the economy. The various economic reform measures undertaken so far are expected to have a favourable impact on aggregate savings. The Central Government Budget for 1996-97 presented to the Parliament a few months ago contains various measures/policy changes which are likely to have a positive impact on savings. In making policy changes the suggestions received from various institutions/individuals are considered keeping in view the emerging economic situation.

Use of Air India Service by Government Officials

519. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has received any proposal from the Civil Aviation authorities to make mandatory for Government officials to fly only by Air India when travelling abroad;

(b) if so, the details thereof; and

(c) the reaction of his Ministry to the said proposal?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Yes, Sir, a proposal has been received from the Minister for Civil Aviation for issue of instructions making it mandatory for Government servants and other officials of subordinate offices/autonomous organisations/public sector undertakings to travel by Air India only while on deputation abroad. No further action on the above proposal was deemed necessary in view of the existing instructions, namely, that persons while travelling abroad on deputation and where the cost of air passage is borne by the Government of India should use the services of the National Carriers, i.e. Air India/Indian Airlines.

[Translation]

Loans under P.M.R.Y. in Gujarat

520. SHRI N.J. RATHWA : Will the Minister of INDUSTRY be pleased to state :

(a) the number of entrepreneurs in the country, especially in tribal areas of Gujarat, granted loan during the last three years under the Prime Minister's Rojgar Yojana and the number of SC/ST entrepreneurs out of them;

(b) the number of educated unemployed persons who were recommended by the District Industrial Centres but not sanctioned loan so far alongwith the reasons therefor and the number of SC/ST persons out of them; and

(c) the action taken/being taken to avoid delay in providing such loans?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) During the last 3 years (1993-94, 1994-95 and 1995-96), 5,29,458 entrepreneurs were sanctioned loan in the country as a whole. During this period, 3,460 entrepreneurs were sanctioned loan in the tribal areas of Gujarat. Of this 220 are SC entrepreneurs and 784 are ST entrepreneurs.

(b) As per reports received from State Director of Industries, 11,54,533 applications were recommended by District Industries Centres and Director of Industries to banks for sanctions of loan during the last 3 years. Banks have sanctioned loan in respect of 5,29,458 entrepreneurs. During 1995-96, 52866 applications of SC/ST entrepreneurs were recommended to banks as per the reports received from 21 States/UTs. Of this 26,652 SC/ST entrepreneurs were sanctioned loan by the banks. The reason for rejection are excessive sponsoring by District Industries Centres, project not found viable, non completion of banking formalities, applicant found defaulter etc.

(c) Reserve Bank of India has instructed district level coordinators of banks to look into the causes of delays in loan sanctions by poorly performing bank branches.

[English]

Balance of Trade with Nepal

521. SHRI TARIQ ANWAR : Will the Minister of COMMERCE be pleased to state :

(a) whether Indo-Nepal trade is decreasing;

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

(c) the steps taken to improve the trade relations between both the countries?

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

(b) Does not arise.

(c) Under the Treaty of Trade, the Governments of India and Nepal have made institutional arrangements for periodical review of matters relating to bilateral trade with a view to improve the trade relations between the two countries. A number of concessions have been extended under the Treaty to improve and strengthen the economic cooperation between two countries.

Economic Growth

522. SHRI SANTOSH KUMAR GANGWAR :
DR. LAXMINARAYAN PANDEY :
SHRI VIJAY PATEL :
SHRI R. SAMBASIVA RAO :

Will the Minister of FINANCE be pleased to state :

(a) whether there has been a sharp deceleration of economic growth during the first half of the current financial year 1996-97;

(b) if so, the details thereof and the comparative rates of economic growth i.e. industrial production, agricultural production and exports during the last three years;

(c) the reasons for the deceleration of economic growth, and its likely impact on the process of liberalisation; and

(d) the steps the Government have taken or proposed to be taken to accelerate the economic growth?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). Overall economic growth measured in terms of growth of real gross domestic product (GDP) at factor cost improved in 1995-96 to attain 6.6 per cent and is projected to record a similar high growth of 6.6 per cent in 1996-97. As per the latest information available with the Central Statistical Organisation (CSO) the details of comparative rates of economic growth are as under.

*Growth in per cent in GDP at factor cost by Sectors
(at 1980-81 prices) in per cent*

	1993-94	1994-95	1995-96	1996-97
1. Agriculture	3.3	4.9 Q	0.9 R	2.3 F
2. Industry	4.2	8.3 Q	11.1 R	8.5 F
3. Services	6.8	6.0 Q	7.3 R	8.1 F
4. GDP	5.0	6.3 Q	6.6 R	6.6 F
Growth in Exports in Rupee Value				
5. Exports	30.0	18.5	28.8	21.9@

Growth in Index of Industrial Production (Base: 1980-81=100)

6. General Index	6.0	9.4	11.8	9.3*
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Note : 1. Includes agriculture, forestry & fishing

2. Includes mining, Manufacturing, electricity & construction.

Q: Quick estimate; R: Revised advance estimate; F: Forecast

@: refers to April-September, 1996 and *: refers to April-July, 1996

Sources : 1,2,3, & 4 based on CSO data; 5 based on Director General Commercial Intelligence data

The various economic reform measures encompassing trade, industry, financial sector and tax regime over the last few years have led to a revival of strong economic growth, expansion in productive employment, and a marked decline in inflation.

Full Convertibility of Rupee

523. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have taken any steps to make Rupee fully convertible;

(b) if so, details thereof; and

(c) the time by which it is likely to be done?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The rupee has been made fully convertible on the current account of the balance of payments. Some constituent items of the capital account, such as direct and portfolio investments have also been freed from repatriation restrictions. However, stable macro-economic system supported by credible and consistent macro policies, reduction in fiscal deficits, modernisation in inflation, an efficient financial system and a sustained dynamic export performance are some of the essential pre-conditions for moving towards full convertibility on capital account.

World Bank Assistance to CIL

524. SHRI NAMDEO DIWATHE : Will the Minister of COAL be pleased to state :

(a) whether the Coal India Limited with World Bank assistance, is taking several steps to mitigate pollution caused by coal mining and resettle and rehabilitate people displaced by the mining activity and undertake community development projects;

(b) if so, the details of the projects envisaged and mines selected to be covered under these projects;

(c) the details of the financial assistance sought from the World Bank for various coal mining prospects, project-wise; and

(d) the reaction of World Bank thereto and the present status of each of the projects?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (d). While seeking loan for Coal Sector Rehabilitation Project (CSRP) from the World Bank, Coal India agreed to implement a project for mitigation of environmental and social impacts of coal mining. This project called "Environmental and Social Mitigation Project". (ESMP) is designed to strengthen Coal India's capability and to reinforce actions for mitigating environmental and social impacts in 25 mines initially identified for CSRP.

The World Bank has approved an IDA Credit of 43.3 Million SDR (US \$ 63 million) for "Coal Sector Environmental and Social Mitigation Project" of Coal India Ltd. The project inter-alia envisages carrying out Environment Action Plans, Rehabilitation Action Plans etc. at 25 identified coal projects of CIL. The details of the projects under the ESMP and the IDA Credit for these are given below

Name of the project	IDA Credit US \$ Million
1	2
CCL	
1. K.D. Hesalong OCP	1.70
2. Parej East OCP	1.49
3. Rajrappa OCP	1.20
WCL	
4. Durgapur OCP	0.74
5. Niljai OCP	0.84
6. Padampur OCP	0.74
7. Sasti OCP	0.84
8. Umrer OCP	0.75
SECL	
9. Bisrampur OCP	2.80
10. Dhanpuri OCP	1.30
11. Dipka OCP	2.85

1	2
12. Kusmunda OCP	1.70
13. Manikpur OCP	0.90
14. Gevra OCP	0.80
NCL	
15. Nigahi OCP	2.50
16. Dudhichua OCP	2.73
17. Bina OCP	1.90
18. Jayant OCP	3.00
19. Jhingurda OCP	1.70
MCL	
20. Lakhanpur OCP	1.70
21. Samleswari OCP	1.70
22. Ananta OCP	0.90
23. Bharatpur OCP	1.50
24. Belpahar OCP	1.75
25. Jagannath OCP	1.40
Corporate	23.57
Total	63.00

Duty on Import of Newsprint

525. SHRI BANWARI LAL PUROHIT :
SHRI MULLAPPALLY RAMACHANDRAN :
SHRI PRABHU DAYAL KATHERIA :
DR. LAXMINARAYAN PANDEY :
SHRI RAJENDRA AGNIHOTRI :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have levied duty on the import of newsprint;

(b) if so, the details thereof and whether this import duty has been levied as a post-budget measure;

(c) the reasons for imposition of the duty and its impact on the newspaper industry particularly the medium, vernacular and small newspaper;

(d) whether the newspaper industry has made any representation to the Government about it; and

(e) if so, the action taken by the Government in the matter?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Yes, Sir. With effect from 29th October, 1996, the Government have imposed an import duty of 10% ad valorem on newsprint.

(c) Since 1995, there has been an appreciable fall in the price of imported newsprint. The price of imported newsprint which was in the range of US \$ 1000 per tonne in May 1995, was ruling at around US \$ 450-500 per tonne in September-October, 1996. The landed cost of imported newsprint is appreciably lower than the cost of production of indigenous thus making indigenous units unviable. Keeping these factors in

view, a nominal import duty of 10% has been imposed on imported newsprint. Considering the fact that the price of imported newsprint has fallen by about 50%, the imposition of 10% import duty is not likely to cause undue hardship to the medium, vernacular and small newspapers.

(d) and (e). The newspaper industry has represented against the above levy of customs duty. The Government is keeping a close watch on the international price of newsprint and when the international prices rise, the Government will review the present levy.

Gaslitand Disaster

526. SHRI BASUDEB ACHARIA : Will the Minister of COAL be pleased to state :

(a) whether a Court of Enquiry was conducted to enquire the causes of accident in Gaslitand of BCCL mine on 27.9.1995;

(b) if so, whether it has submitted the report; and

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

THE MINISTER OF STATE OF THE MINISTER OF COAL (SHRIMATI KANTI SINGH) : (a) and (b) Under Section 24 of the Mines Act, 1952, the Government had constituted a Court of Inquiry headed by Justice (retd.) S.K. Mukherjee of Patna High Court to inquire into the causes and circumstances attending the accident which occurred at Gaslitand and other mines of Bharat Coking Coal Limited on 26/27.9.95. The Court of Inquiry is yet to submit its report.

(c) Does not arise in view of above.

Vigilance Machinery in PSUs

527. KUMARI SUSHILA TIRIYA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the vigilance machinery in the Public Sector Undertakings has been strengthened;

(b) if so, the details thereof;

(c) whether officials of this machinery have been granted some special facilities;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (e). Strengthening Vigilance Machinery in Public Sector Undertakings (PSUs) is a continuous process. Besides conferring the status equivalent to that of a functional director to the Executive Director (Vigilance)/Chief Vigilance Officers of the level of Joint Secretary to the Govt. of India and above in PSUs, the Govt. has recently empowered them to exercise such administrative and financial powers as are essential for the efficient functioning of Vigilance Machinery subject to the condition that financial powers are

exercised within the allotted budget to the vigilance unit and in accordance with the financial discipline and accountability at par with other functional directors. They will also be entitled to such accommodation which is available to other functional directors in PSUs.

Coal Stocks

528. SHRI ANNASAHIB M.K. PATIL : Will the Minister of COAL be pleased to state :

(a) whether the system adopted by Coal India Limited and its subsidiaries in estimation of stocks is faulty and misleading as various Committees have adversely commented on the system;

(b) if so, the details thereof;

(c) whether it has come to the notice of the authorities that the stocks estimated by subsidiaries of Coal India Limited were highly inflated and manipulated;

(d) if so, the details thereof and the responsibility fixed by the Government against those who have manipulated the stock position, subsidiaries-wise; and

(e) the effective measures taken/proposed to be taken for correct assessment of stocks in various subsidiaries particularly in Bharat Coking Coal Limited, Eastern and Western Coalfields Ltd.?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) The system adopted by Coal India Limited and its subsidiaries in estimation of stocks is not faulty. However, in every system, there is always a scope for further improvement as has been suggested by some Committees.

(b) Some of the major system improvement suggestions relate to the separation of the functions of the Manager of each colliery and the Agent, additional test measurements over the annual measurement, restriction of stock in each colliery to maximum one month's production, computerisation of colliery operations, installation of road weighbridges etc.

(c) and (d). It has come to the notice of the authorities that in some collieries in some collieries in some subsidiaries the production has been over reported. Disciplinary action against persons responsible for over reporting and resultant stock shortages has been initiated. 56 cases in Eastern Coalfields Limited, 51 in Bharat Coking Coal Limited, 49 in Central Coalfields Limited and 8 in Western Coalfields Limited have been started.

(e) Measures taken to improve the system have been indicated in answer to part (b) of the Question

[Translation]

Capital Market

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

(a) whether the Government/SEBI have received

any complaints from the general investors regarding misappropriation of their hard earned money by the companies which had collected the funds through their public issues by way of providing fictitious information regarding their future prospects in their offer documents;

(b) if so, the details thereof; and

(c) the action taken by the Government to safeguard the interests of the general investors?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Complaints have been received by SEBI of misleading information on future prospects in the offer document of the issuer companies.

(b) and (c). SEBI guidelines prohibit future projections by companies except under specified norms. In order to safeguard the interests of investors, SEBI has tightened the entry norms for companies accessing the capital market so that only quality issues enter the market. On the recommendations of the Malegam Committee, SEBI has issued guidelines for more stringent disclosures of the financial accounts of the issuers. In cases of mis-statements or suppression of material information SEBI initiates action such as withdrawal of acknowledgement card, giving option to investors to withdraw from the issue or even directing the issuer companies to refund the subscription amount.

[English]

KVIC

530. SHRI G. VENKAT SWAMY : Will the Minister of INDUSTRY be pleased to state :

(a) whether Khadi and Village Industries Commission is facing financial crises; and

(b) if so, the details thereof and the steps taken by the Government to remedy the situation?

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

(b) Does not arise.

FERA Violations by ITC

531. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the outcome of the probe conducted into the affairs of the ITC Ltd., Calcutta for FERA violations to the tune of millions of dollars;

(b) whether the whole episode has exposed the role of public financial institutions in governance of the company;

(c) if so, what action has been taken or proposed to be taken against the Directors of these Financial Institutions on the Board of ITC Ltd. both serving and retired;

(d) whether a joint team of enforcement Directorate and CBI went to Singapore to probe ITC Global's role in the alleged FERA violations and siphoning of funds; and

(e) the findings of this team and the stage at which the matter stands at present?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The investigation under the Foreign Exchange Regulation Act, undertaken by the Enforcement Directorate against M/s. I.T.C. Ltd., Calcutta, are continuing. Action as envisaged under the law is proposed to be taken.

(d) No, Sir.

(e) Does not arise.

Schemes for Handloom Weavers

532. SHRI BHAKTA CHARAN DAS : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have prepared any scheme for including the handloom weavers in the on-going schemes of rural development programmes;

(b) if so, the details thereof; and

(c) the allocation made for each scheme during the last two years and for 1996-97, State-wise, particularly for Orissa?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b). In May, 1993, the Government of India had announced programmes for provision of looms to loomless weavers, houses to houseless SC/ST weavers, training for skill upgradation to weavers and setting up of Common Facilities Centres under the various on-going Rural Development Programmes.

(c) No separate allocation have been earmarked since the proposed assistance is expected to be met out of the existing allocation for the programmes at the DRDA level.

Probe into Banks Collusion in Shoe Scam

533. SHRI RAM SAGAR :

SHRI JANG BAHADUR SINGH PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Police probe reveals banks colluded with firms in shoe scam appearing in the Economic Times dated October 8, 1996;

(b) whether any enquiry has been conducted into the lapses;

(c) if so, the details and the outcome thereof; and
(d) the action taken against the persons found guilty?

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

(b) to (d). The information is being collected and to the extent available will be laid on the Table of the House.

[Translation]

Export Growth

534. SHRI SHIVRAJ SINGH CHAUHAN :
SHRI RAMESHWAR PATIDAR :

Will the Minister of COMMERCE be pleased to state :

(a) the impact of new Import and Export Policy on export trade and the value of the export undertaken from April, 1996 till date in various sectors;

(b) whether export to such countries having common currency has increased;

(c) if so, the details thereof; and

(d) the steps proposed to be taken to improve export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The impact of the Exim Policy as reflected in the levels of exports appears to be favourable. Indian exports (as per latest available DGCIS data) for April-Sept.'96 are valued at US \$ 16.14 billion which represents a growth of 9.9% over the export level of US \$ 14.68 billion for April-Sept., 1995.

(b) and (c). India's exports to all principal regions in the world have increased excepting Eastern Europe. Trade Data as received from DGCIS is indicated in Indian Rupee terms. Denominated in dollar terms, for purposes of comparison, India's exports to principal regions during April-August, 1996 (which is the latest period for which data is available) is given below :-

Value in US \$ million

Region	1995-96 (Apr.-Aug.)	1996-97 (Apr.-Aug.)
West Europe	3677	3763
Asia & Oceania	4753	5358
America	2524	2999
Africa	592	672
East Europe	532	487

(d) Export promotion is a continuous process and steps are being taken to boost exports in consultation with trade, industry and other concerned institutions.

[English]

Bungling in Hazaribagh Banks

535. SHRI JAI PRAKASH (Hardoi) : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Bunglings detected in Hazaribagh Banks" appearing in the Hindustan Times dated October 5, 1996;

(b) if so, the facts thereof and the action taken by the Government thereon;

(c) whether any proposal to undertake a survey of commercial banks in the country is under the consideration of the Government to detect such more cases; and

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

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

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

Supply of Coal to SAIL

536. SHRI ANNASAHIB M.K. PATIL : Will the Minister of COAL be pleased to state :

(a) whether Coal India Limited (CIL) has decided to stop coking coal supplies to SAIL, under the credit system because of mounting arrears and consequent cash crunch and introduced a cash and carry system;

(b) if so, the details of the arrears of payment outstanding against major steel units, unit-wise;

(c) the reasons for non-payment of dues by SAIL;

(d) the steps taken for realisation of arrears and results thereof; and

(e) the steps taken by the CIL to improve its coal supply services?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Coal India Limited has introduced a Cash and Carry system for supplies of coal from Bharat Coking Coal Limited (BCCL) to the units of Steel Authority of India Limited (SAIL) since 15.10.96. Other coal subsidiaries of CIL, however, continue to supply coal to steel plants as per the earlier system.

(b) Details of the arrears of coal sale dues outstanding against major Steel Plants, unit-wise as

on 30.9.96 were as under :

(Rs. in crores)		
Steel plants	Total outstanding dues	Dues disputed by Steel plants
Durgapur Steel Plant	102.15	101.51
Rourkella Steel Plant	77.33	71.53
Bhilai Steel Plant	151.2	135.29
Bokaro Steel Plant	46.18	57.42
IISCO	43.00	39.09
Total	419.86	404.84

(c) Steel plants are unilaterally making certain deductions from the bills raised by the coal companies for the coal supply on various grounds. In the perception of the coal companies all such disputes must be resolved at the loading end where the ownership of the coal is transferred.

(d) Regular and periodic bilateral meetings are held between SAIL and all the supplying companies/CIL to improve the realisation and settle the amount in disputes. Meetings are also held at corporate level to evolve acceptable guidelines for amicable settlement of major disputes. These are regularly followed up on a plant to plant basis.

The consensus arrived at in the previous meetings were not being adhered to by SAIL and it continued to make unilateral deductions from coal bills. As a result of this, the system of cash and carry for supplies from BCCL to the units of SAIL was introduced with effect from 15.10.96.

(e) Coal companies are inter-alia taking the following steps for improving coal supply and services

- (i) The sampling and analysing system at the washery end is being updated and modernised;
- (ii) All washeries are being provided with adequate modern weighment system which would minimise the disputes on account of weighment of coal;
- (iii) Modernisation of existing washeries are in progress for further improving the quality of despatches of washed coal to steel plants;
- (iv) Two new washeries are being set up to increase the supplies of washed coal;
- (v) Regular meetings are held between the supplying coal companies and steel plants

to investigate the disputes regarding supply of coal to steel plants and corrective action taken wherever necessary.

Removal of Quantitative Restrictions on Imports

537. SHRI MOHAN RAWALE : Will the Minister of COMMERCE be pleased to state :

(a) whether India has been under pressure by the US and other countries to announce a time-bound programme for the removal of quantitative restrictions on all imports;

(b) whether the said removal of restrictions is likely to take away India's power to control imports; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). Article XI of the General Agreement on Tariffs and Trade, 1994 requires that no prohibitions or restrictions other than duties, taxes or charges, whether made effective through quotas, import or export licences or other measures shall be maintained by any member of the World Trade Organisation (WTO). However, keeping in view the difficult balance of payments situation, India has been maintaining import restrictions since 1948 under Article XII, and since 1950 under Article XVIII.

During the consultations held last with India in December, 1995, many members of the WTO Committee on Balance-of-Payments-restrictions stated that India's balance of payments position was comfortable, that India did not currently face the threat of a serious decline in foreign exchange reserves as set out in Article XVIII and that, therefore, continued recourse to import restrictions for balance-of-payments reasons by India could not be justified. Many members requested India to present a firm time-table for phasing out the restrictions.

The full consultations with India are to be resumed in January, 1997. The WTO provisions relating to the balance-of-payment-restrictions contemplate that a country must progressively relax the restrictions as conditions improve and must eliminate measures when the conditions no longer justify. It also provides that a member must announce publicly, as soon as possible, time-schedules for the elimination of restrictive import measures taken for balance-of-payments purposes. If a public announcement is not possible, justification as to the reasons therefore are required to be provided by the Member. In view of these provisions, India may be requested by the Members of the WTO Committee on Balance-of-Payments-Restrictions, at the consultations in January, 1997, to announce a time-schedule for phasing out the import restrictions.

[Translation]

Subsidy to DIC

538. SHRI LALIT ORAON : Will the Minister of INDUSTRY be pleased to state :

(a) the amount of subsidy/fund allocated by the Government for the year 1996-97 for running the District Industry Centres, State-wise

(b) whether the Government have received representations from the Heads of District Industry Centres/State Governments for enhancing this allocation; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) In terms of the decision of the National Development Council, the District Industries Centres Scheme was transferred to the States in the year 1993-94, prior to which this was a Centrally Sponsored Scheme. The funds were to be transferred at 1991-92 levels for the VIII Plan; on the pattern followed before transfer of scheme. Funds are now released by the Ministry of Finance from 1993-94 onwards. A budget provision of Rs. 225 crores has been made in the budget of Ministry of Finance during 1996-97 for States for all the transferred Centrally Sponsored Schemes, including DICs. Separate provisions scheme-wise are not made. The releases are made on the basis of expenditure on these schemes reported by the State Governments. During 1996-97, no funds have been released so far.

Scheme specific funds e.g. PMRY, computerisation of DICs etc. are also released by the Central Government from time to time.

(b) and (c). No specific representations have been received from the Heads of District Industries Centres/State Governments for enhancing the allocation under the D.I.C. Scheme.

Export Commitments

539. SHRI N.J. RATHWA : Will the Minister of COMMERCE be pleased to state :

(a) whether any export oriented units have been set up in Gujarat so far;

(b) if so, the details thereof, unit-wise and location-wise alongwith their export commitments;

(c) the details of those units which have been able to fulfil the export commitment alongwith their earning from export;

(d) the details of those units which have not been able to fulfil their export commitments alongwith the reasons therefor; and

(e) the steps taken by the Government to keep a watch on the performance of these units and make them able to fulfil their export commitments?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e). Information is being collected and will be laid on the Table of the House.

[English]

Privatisation of Coal Sector

540. SHRI TARIQ ANWAR :
KUMARI SUSHILA TIRIYA :
SHRI SANAT KUMAR MANDAL :

Will the Minister of COAL be pleased to state :

(a) whether the Union Government have received any representation for privatisation of the coal sector;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c). A Committee on Integrated Coal Policy was set up by the Planning Commission on 27th July, 1995 under the Chairmanship of Shri K.S.R. Chari, former Secretary (Coal) to address the issues for Integrated Coal Policy for adoption by the Government in the Ninth and Tenth Plan periods. The Chari Committee submitted its report to the Government on 13.5.1996. One of the recommendations made by the Chari Committee is that all new coal blocks with a minimum annual production capacity of 0.5 million tonnes for underground mines and 2.0 million tonnes for opencast mines may be ferred to the private and public sector coal companies on the basis of competitive bids. The Chari Committee has also recommended that the bidders so selected or the developers of the coal mines, may be given the freedom to charge any price from the consumers without any reference to the administered prices. Under the Existing legal framework, private sector companies allotted coal blocks for captive consumption in power generation, iron and steel production and cement production are not allowed to sell coal in the open market.

It has been decided to examine the legal implications of the above mentioned recommendations of the Chari Committee in consultation with the Ministry of Mines and the Ministry of Law, Justice and Company Affairs

PSU Disinvestment Scheme

541. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) the details of the PSU disinvestment scheme finalised to meet the budget deficit of the current financial year;

(b) the extent of funds to be realised thereby. RSU-wise; and

(c) the steps taken in pursuance thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Videsh Sanchar Nigam Limited (VSNL) and Indian Oil Corporation Ltd. (IOCL) have been selected for the first two rounds of disinvestment in the current financial year. The third round is expected to be undertaken after receipt of advice from the Disinvestment Commission.

(b) The extent of realisation from disinvestment will depend on market response both in India and abroad.

(c) (1) Action has been initiated to select merchant bankers as global coordinators and lead managers to manage the issues of VSNL and IOCL for the international as well as the domestic segments.

(2) Forty companies have been referred to the Disinvestment Commission for advice on sale and modalities.

Imported Machinery in CIL

542. SHRI NAMDEO DIWATHE : Will the Minister of COAL be pleased to state :

(a) whether a large number of machines imported by Coal India Limited and its subsidiaries during the last three years are either laying idle or being underutilised/utilised below rated capacity;

(b) if so, the subsidiary-wise details of machinery/parts imported thereof during each of the last three years and their utilisation status;

(c) the details of major machinery not being put to use or underutilised and the reasons therefor; and

(d) the steps taken by the Government to make full use of the installed capacity of these machines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) No, Sir.

(b) to (d). Does not arise in view of reply at (a) above.

Loss of Hard Currency due to Misuse by Russian Importers

543. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "India losing \$ 400 m to Russia under debt repayment scheme" as reported in the Statesman dated September 23, 1996.

(b) if so, whether the Government are losing millions of dollars in hard currency yearly due to reported misuse by Russian importers of a scheme for repayment of outstanding debt of the former Soviet Union.

(c) if so, the facts and details thereof; and

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

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

(b) and (c). Under the Inter-Governmental arrangements between India and Russia in 1993, the rupee debt owed by India to Russia is to be used exclusively for India's exports of goods and services to Russia. Some allegations of diversion of exports consignments to third country destinations through production of fake landing certificates, switching of cargoes on high seas, etc. have come to light. These would constitute violations of the Inter-Governmental arrangements agreed between India and Russia in 1993 and of the relevant customs procedures and adversely affect our exports to hard currency markets.

(d) Government take a serious view of such irregularities and are committed to check any illegal diversion of export consignments meant for Russia under the debt repayment route, to third countries. Apart from greater vigilance by the Governments enforcement agencies, such diversion is proposed to be prevented through the following additional measures under consideration :

(i) Exports through consignment sales by way of customs bonded warehouses in Russia.

(ii) Conclusion of a bilateral Customs Cooperation Agreement with the Govt. of Russia to facilitate better monitoring of export consignments by customs authorities of the two countries.

(iii) Insistence upon the Russian side to provide satisfactory proof of landing for export consignments.

Expenditure Management and Reforms Commission

544. SHRI K.P. SINGH DEO :

SHRI KRISHAN LAL SHARMA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Non-plan expenditure of the Government has increased considerably during the last three years;

(b) if so, the details thereof;

(c) whether the Government have set up an expenditure management and reforms commission;

(d) if so, the main objectives and composition of the Commission;

(e) whether the Commission has submitted any report to the Government; and

(f) if so, the main recommendations thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The Non-Plan expenditure of the Central Government from 1993-94 onwards and the details thereof are given in the table below :

	(Rs. crore)		
	1993-94	1994-95	1995-96 RE
Total Non-Plan expenditure	98191	113361	134320
Interest Payments	36741	44060	52000
Defence	21845	23245	26879
Subsidies	12864	12982	13726
Police and internal security	2682	2665	3143
Pensions	3005	3643	4295
Tax collections	818	920	1096
Loan to States & UTs against net small saving collections	5000	9649	10112
Write off of loans to States	-	-	1010
Non-Plan transfer to State under FC award	1817	1701	5266
Issue of bonus shares	-	529	1035
Issue of voter identity cards	-	225	225
Other Non-Plan expenditure	13419	13742	15533

(c) to (f). As already announced in Budget speech, an Expenditure Management and Reforms Commission proposed to be constituted to advise the Government on the steps to be taken to control expenditure.

[Translation]

Safety of Coal Mines

545. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) the steps taken for the protection and safety of the coal mines under each ancillary unit of Coal India Limited during the last three years;

(b) the amount spent by ancillary units of Coal India Limited for protection and safety of each coal mine during the last three years, year-wise;

(c) the details of arrangement made for stowing of coal from mines by rail; and

(d) the amount spent on this account in different ancillary units during last three years?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Preventive steps as laid down in detail in the Coal Mines Regulations 1957, directives of Directorate General of Mines Safety, Expert Committee recommendations as also in the recommendations of various Courts of Inquiry, Safety Conferences, etc. are adopted by the mine-managements. Special emphasis is given in introducing roof bolting, roof stitching & steel support systems of roof supports and implementing comprehensive water management plans for precautions against inundation. For better observance of these steps, Government is promoting self-regulation by coal companies through internal safety audits, workers' participation in safety management, tripartite/bipartite reviews at various levels, training and retraining of work persons, observance of safety weeks and safety campaigns and national safety awards.

(b) Safety is an inherent aspect of operations in coal mining. As such, revenue expenditure made on some of the safety components can not be distinctly segregated from production expenditure. However, the amount spent on major safety-oriented items by Coal India Limited (CIL), both capital and revenue, during 1992-93, 1993-94 and 1994-95 is as under :-

(figures in Rs. Lakhs)

Year	Capital	Revenue
1992-93	18.23	263.97
1994-94	21.47	282.82
1994-95	25.87	323.52

(c) and (d). Voids created in underground mines by extraction of coal are in some cases filled by sand stowing. No stowing material is brought by rail in any mine of CIL for the purpose of stowing. The amount spent on sand stowing in mines of CIL during the last three years has been as under :-

(Rs. in lakhs)

1993-94	107.25
1994-95	117.66
1995-96	123.86

[English]

R.R.Bs. in Orissa

546. SHRI BHAKTA CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) the details of the Regional Rural Banks functioning in Orissa at present, location-wise;

(b) the main objectives of these banks and the achievements made by them during the last two years and in 1996, so far;

(c) whether some of these banks are facing resource crunch; and

(d) if so, the steps taken to remedy the situation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) There are nine Regional Rural Banks (RRBs) operating in the State of Orissa with their headquarters located at Pipli, Bolangir, Cuttack, Jeypore, Baripada, Bhawanipatna, Balasore, Berhampur and Dhenkanal.

(b) The main objectives of the RRBs are to take the banking services to the door steps of rural masses particularly in hitherto unbanked areas, to make available institutional credit to the weaker sections of the society, to mobilise rural savings and channelise them for supporting productive activities in the rural areas, to create supplementary channel for flow of credit from the central money market to the rural areas through re-finance, to generate employment opportunities in rural areas and to bring down the cost of providing credit in rural areas.

The RRBs in Orissa have mobilised deposits of Rs. 604.88 crores (Provisional) as on 31st March, 1996 and their loans and advances outstanding as on that date stood at Rs. 390.08 crores (Provisional). While growth in deposits was 26.7% and 28.5% during 1994-95 and 1995-96 respectively, the growth in loans and advances was at 19.2% and 22.1% during the above two years.

(c) and (d). National Bank for Agriculture & Rural Development (NABARD) has reported that no indication of resources crunch has been brought to the knowledge of NABARD by the RRBs. However, five RRBs in Orissa which were taken up for comprehensive revamping have been provided with additional equity by Government of India and sponsor banks for cleansing of their balance sheets.

[Translation]

World Bank Loan for Rural Water Supply

547 SHRI N.J. RATHWA : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has provided any loans for water supply and environmental sanitation projects especially for the tribal and rural areas of Gujarat during the last three years;

(b) if so, the details of the projects sanctioned and the amount expected to be allocated project-wise out of the funds received from the World Bank; and

(c) the details of implementing agencies of these projects?

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

(b) Does not arise.

(c) Does not arise.

[English]

Piparwar Opencast Coal Project

548. SHRI TARIQ ANWAR : Will the Minister of COAL be pleased to state :

(a) whether Piparwar open cast Coal project of Central Coal Field Ltd. started in 1989 is proving costly project;

(b) if so, the reasons therefor;

(c) the estimated budget allocation for the project; and

(d) the total amount spent on the project, so far?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Piparwar Opencast Coal Project was approved in September, 1989 with a capital investment of Rs. 542.43 crores for the production of 6.5 Million Tonnes coal per annum. In May, 1993, the cost was updated and the Project was sanctioned with an investment of Rs. 838.27 crores. The expenditure so far incurred on the Project till March, 1996 is Rs. 961.35 crores. Some more expenditure is expected on the completion of the Project. In 1995-96, the production was 6.85 Million Tonnes yielding a total profit of Rs. 62.74 crores or Rs. 91.53 per tonne of coal.

(b) The Project cost has significantly increased due to :-

(i) Variation in foreign exchange rate;

(ii) The Project cost was estimated on the basis of constant prices whereas the actual cost includes inflationary effect;

(iii) Additional provision of housing, taxation and capitalisation of revenue expenditure;

(iv) Delay in implementation of the project due to delay in getting physical possession of land.

(c) and (d). The Budget allocation for 1996-97 for this Project is Rs. 38.60 crores and Rs. 961.35 crores has been the expenditure incurred on the Project till 31st March, 1996.

[Translation]

Subsidy on Sericulture

549. SHRI NAMDEO DIWATHE : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government of Maharashtra have made a request to increase subsidy on sericulture;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

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

: (a) No, Sir.

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

[English]

Shortage in Domestic Stock of Coffee

550. SHRI K. P. SINGH DEO : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been a severe shortage of domestic stock of coffee;

(b) if so, the reasons therefor;

(c) whether the Government have any proposal to stop the export of coffee; and

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

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

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

[Translation]

Setting up of Large Scale Industries in U.P.

551. SHRI VIDYA SAGAR SONKAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up a large scale industry in Saidpur (Gazipur) area in order to remove unemployment; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir. At present there is no plan to set up any Central Public Sector Undertaking around Saidpur area.

(b) Does not arise.

Court Fee Labels

552. SHRI BHIMRAO VISHNUJI BADADE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of shortage of court fee labels in the country;

(b) if so, the reasons therefor; and

(c) the steps taken by Government to meet the situation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The Government has not received any complaint of shortage of Court fee labels in the country during the last three years.

Closure of Coal Mines of ECL

553. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) whether there is any proposal to close down some Coal mines of Eastern Coalfield Ltd. situated in Bihar;

(b) if so, the reasons therefor, colliery-wise; and

(c) the number of workers likely to be affected by this decision?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Coal India Limited has informed that there is no proposal to close down any working mine of Eastern Coalfields Limited.

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

11.22 hrs.

*The Lok Sabha then adjourned till*Thirty Minutes past Fifteen of the Clock.*

15.34 hrs.

The Lok Sabha re-assembled at Thirty-four minutes past Fifteen of the Clock.

(Mr. Speaker in the Chair)

[English]

MR. SPEAKER : Since we could not lay the Papers on the Table in the morning, with the sense of the House, before we start the Private Members' Business, I will just finish these few formalities.

Papers to be laid on the Table of the House.

PAPERS LAID ON THE TABLE

Review by the Government of the working of the Bharat Heavy Electricals Limited, New Delhi and HMT Limited, Bangalore etc. alongwith Annual Reports etc.

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU) : On behalf of Shri Murasoli Maran, I beg to lay on the Table -

(1) A copy of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the companies Act, 1956 :

(a) (i) Statement regarding Review by the Government of the working of the Bharat Heavy Electricals Limited, New Delhi, for the year 1995-96.

- (ii) Annual Report of the Bharat Heavy Electricals Limited, New Delhi, for the year 1995-96, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in the Library. See No. LT-631/96]

- (b) (i) Statement regarding Review by the Government of the working of the HMT Limited, Bangalore, for the year 1995-96.
- (ii) Annual Report of the HMT Limited, Bangalore, for the year 1995-96, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in the Library. See No. LT-632/96]

- (c) (i) Statement regarding Review by the Government of the working of the Andrew Yule and Company Limited, Calcutta, for the year 1995-96
- (ii) Annual Report of the Andrew Yule and Company Limited, Calcutta, for the year 1995-96, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in the Library. See No. LT-633/96]

- (d) (i) Statement regarding Review by the Government of the working of the Rehabilitation Industries Corporation Limited, Calcutta, for the year 1995-96.
- (ii) Annual Report of the Rehabilitation Industries Corporation Limited, Calcutta, for the year 1995-96, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in the Library. See No. LT-634/96]

- (2) (i) A copy of the Annual Report (Hindi and English versions) of the Central Manufacturing Technology Institute, Bangalore, for the year 1995-96, alongwith Audited Accounts.
- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Central Manufacturing Technology Institute, Bangalore, for the year 1995-96.

[Placed in the Library. See No. LT-635/96]

- (3) A copy each of the following papers (Hindi and English versions) :

- (i) Memorandum of Understanding between the National Small Industries Corporation Limited and the Department of Small Scale Industries and Agro and Rural Industries, Ministry of Industry, for the year 1996-97.

[Placed in the Library. See No. LT-636/96]

- (ii) Memorandum of Understanding between the Bharat Heavy Electricals Limited and the Department of Heavy Industry for the year 1996-97.

[Placed in the Library. See No. LT-637/96]

- (iii) Memorandum of Understanding between the Hindustan Cables Limited and the Department of Heavy Industry, Ministry of Industry, for the year 1996-97.

[Placed in the Library. See No. LT-638/96]

- (iv) Memorandum of Understanding between the Andrew Yule and Company Limited and the Department of Heavy Industry, Ministry of Industry, for the year 1996-97.

[Placed in the Library. See No. LT-639/96]

Notifications under Section 159 of the Customs Act, 1962 etc.

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU) : On behalf of Shri P. Chidambaram, I beg to lay on the Table -

- (1) A copy of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :

- (i) G.S.R. 409 (E) and G.S.R. 410(E) published in Gazette of India dated the 10th September, 1996 together with a explanatory memorandum making certain amendments to the Notification Nos. 110/95-Cus. and 111/95-Cus., dated the 5th June, 1995 so as to permit import of spares within the entire period of export obligation under Export Promotion Capital Goods Scheme.
- (ii) G.S.R. 411(E) published in Gazette of India dated the 10th September, 1996 together with an explanatory memorandum making certain amendments in the Notification No. 149/95-Cus., dated the 19th September, 1995.
- (iii) G.S.R. 477(E) published in Gazette of India dated the 16th October, 1996 together with an explanatory memorandum seeking to impose anti-dumping duty on 8-Hydroxy quinoline exported from the People's Republic of China into India by the exporters mentioned therein.

[Placed in the Library. See No. LT-640/96]

- (2) A copy of the Income-tax (Fourth Amendment) Rules, 1996 (Hindi and English versions) published in Notification No. S.O. 749(E) in Gazette of India dated

the 29th October 1996 under section 296 of the Income-tax Act, 1961.

[Placed in the Library. See No. LT-641/96]

(3) A copy of the Notification No. G.S.R. 512(E) (Hindi and English versions) published in Gazette of India dated the 5th November, 1996 together with an explanatory memorandum regarding exemption to cotton yarn and cellulosic spun yarn subjected to beaming, warping, wrapping, winding or reeling or any one or more of these processes, with or without the aid of power, if produced out of cotton yarn or cellulosic spun yarn on which the duty of excise has already been paid during the period from the 1st to the 22nd March, 1994, under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944.

[Placed in the Library. See No. LT-642/96]

(4) (i) A copy of the Annual Report (Hindi and English versions) of the Export-Import Bank of India, Bombay, 1995-96, alongwith Audited Accounts, under sub-section (5) of section 19 and sub-section (5) of section 24 of the Export-Import Bank of India Act, 1981.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Export-Import Bank of India, Bombay, for the year 1995-96.

[Placed in the Library. See No. LT-643/96]

15.35 hrs.

BUSINESS ADVISORY COMMITTEE

Sixth Report

[English]

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU) : On behalf of Shri Srikanta Jena, I beg to present the Sixth Report of the Business Advisory Committee.

15.35¼ hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU) : On behalf of Shri Srikanta Jena, I would like to make a statement

on Government business in Lok Sabha during the week commencing Tuesday, the 26th November, 1996.

Sir, with your permission, I rise to announce that the Government business during the week commencing Tuesday, the 26th November, 1996 will consist of :

- (1) Consideration of any item of Government business carried over from today's Order Paper.
- (2) Consideration and passing of :
 - (a) The Delhi Development (Amendment) Bill, 1996.
 - (b) The Maulana Azad National Urdu University Bill, 1995 as passed by Rajya Sabha.
 - (c) The Mahatma Gandhi Antarrashtriya Hindi Vishavidyalaya Bill, 1995 as passed by Rajya Sabha.

[Translation]

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora) : Mr. Speaker, Sir, the following items may be included in the next week's agenda-

1. Prohibition in the hilly and backward areas.
2. Compulsory computer education in the middle schools.

PROF. RASA SINGH RAWAT (Ajmer) : Mr. Speaker, Sir, the following items may be included in the next week's agenda -

1. Need to construct airport at the approved place in Ajmer immediately and boost the tourism by connecting it with the air map of the country.
2. Need to set up high power T.V. Transmission Centre, sanctioned earlier at Taragarh hill of Ajmer to give benefit to millions of T.V. viewers of central and border areas of Rajasthan.

[English]

SHRI BASU DEB ACHARIA (Bankura) : I would like to make a submission on the next week's business and request to include the following items :

1. There has been fire in Jharia and Raniganj coal mines and subsidence to towns. New areas are also going to be affected. Immediate remedial measures for stabilisation and other safety precaution should be taken.
2. Movement of trains has been closed in Bankura Damodar River Railway section since March, 1996 and no alternative traffic facility in the area has been arranged. More than one lakh people of the area are affected

and are in great distress. Train service of Bankura Damodar River should start immediately. At the same time conversion of the section should start without any further delay.

PROF. JITENDRA NATH DAS (Jalpaiguri) : The following items may be included in the next week's agenda :

1. Regarding overall development of the North Eastern States
2. Regarding repair and the improvement of the National Highways of West Bengal which are in a dilapidated condition.

15.39 hrs.

ELECTIONS TO COMMITTEES

(i) Court of University of Delhi

[English]

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. U. VENKATESWARLU) : On behalf of Shri S.R. Bommai I beg to move the following :

"That in pursuance of Statute 2(1) (xix) of the Statutes of the University of Delhi, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Court of the University of Delhi, subject to other provisions of the Statutes. The members so elected shall not be the employees of the University of Delhi or of a recognised College or Institution of that University."

MR. SPEAKER : The question is :

"That in pursuance of Statute 2(1) (xix) of the Statutes of the University of Delhi, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Court of the University of Delhi, subject to other provisions of the Statutes. The members so elected shall not be the employees of the University of Delhi or of a recognised College or Institution of that University."

The motion was adopted.

15.40 hrs.

(ii) Rubber Board

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : Sir, I beg to move :

"That in pursuance of sub-section (3) of Section 4 of the Rubber Act, 1947 read with rule 4(1) of the Rubber Rules 1955, the Members of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of the Rubber Board, subject to the other provisions of the said Act and the Rules made thereunder."

MR. SPEAKER : The question is :

"That in pursuance of sub-section (3) of Section 4 of the Rubber Act, 1947 read with rule 4(1) of the Rubber Rules 1955, the Members of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of the Rubber Board, subject to the other provisions of the said Act and the Rules made thereunder."

The motion was adopted.

15.41 hrs.

(iii) Agricultural and Processed Food Products Export Development Authority

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : Sir, I beg to move :

"That in pursuance of sub-section (4) (d) of Section 4 of the Agricultural and Processed Food Products Export Development Authority Act, 1985 the Member of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of Agricultural and Processed Food Products Export Development Authority, subject to the other provisions of the said Act."

MR. SPEAKER : The question is :

"That in pursuance of sub-section (4) (d) of Section 4 of the Agricultural and Processed Food Products Export Development Authority Act, 1985 the Member of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of

Agricultural and Processed Food Products Export Development Authority, subject to the other provisions of the said Act."

The motion was adopted.

15.42 hrs.

MOTION RE : REPORT OF SELECT COMMITTEE—EXTENSION OF TIME

SHRI AMAR ROY PRADHAN (Coochbehar) : Sir, I beg to move :

"That this House do extend up to the last week of the Budget Session, 1997, the time for presentation of the Report of the Select Committee on the Bill to provide for the inclusion of Koch-Rajbongshi community in the list of Scheduled Tribes in relation to the State of Assam (excluding autonomous districts)."

MR. SPEAKER : The question is :

"That this House do extend up to the last week of the Budget Session, 1997, the time for presentation of the Report of the Select Committee on the Bill to provide for the inclusion of Koch-Rajbongshi community in the list of Scheduled Tribes in relation to the State of Assam (excluding autonomous districts)."

The motion was adopted.

15.42½ hrs.

MR. SPEAKER : The House shall now take up Private Member's Business - Bills for introduction.

HIGH COURT OF GUJARAT (ESTABLISHMENT OF PERMANENT BENCHES AT SURAT AND RAJKOT) BILL*

SHRI KASHI RAM RANA (Surat) : Sir, I beg to move for leave to introduce a Bill to provide for the establishment of permanent Benches of the High Court of Gujarat at Surat and Rajkot.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the establishment of permanent

Benches of the High Court of Gujarat at Surat and Rajkot."

The motion was adopted.

SHRI KASHI RAM RANA : I introduce the Bill.

15.43 hrs.

BAN ON COW SLAUGHTER BILL*

[English]

SHRI KASHI RAM RANA (Surat) : Sir, I beg to move for leave to introduce a Bill to prohibit the slaughter of cow and its progeny.

MR. SPEAKER : Motion moved :

"That leave be granted to introduce a Bill to prohibit the slaughter of cow and its progeny."

SHRI G.M. BANATWALLA (Ponnani) : Mr. Speaker, Sir, my friend and the hon. Member, Shri Kashi Ram Rana has been pleased to move a motion seeking leave of this House to introduce a Bill in order to impose a blanket ban not only on the slaughter of cows but also on all the progeny of the cows.

15.43 hrs.

(Mr. Deputy-Speaker in the Chair)

I rise to oppose the motion. I must point out that the Bill is outside the legislative competence of this House and is also highly unconstitutional in character. I must remind my friend and the hon. Member, Shri Kashi Ram Rana and the House that the subject matter of the Bill is in the exclusive jurisdiction of the States. The Bill seeks to place a total and blanket ban, as I said, not only on the slaughter of cows but also on its progeny, the bulls, bullocks and so on.

Mr. Deputy-Speaker, Sir, there is no slaughter of cows. The question mainly, is about the bulls, bullocks and so on. Therefore, I rise to oppose the Bill. As we all know, in the Constitution, we have the Seventh Schedule, which gives three Lists : List I, List II and List III. List I gives us the subjects under the Union, that is Parliament; List III gives us the concurrent subjects. This item, the subject matter of the Bill does not appear in List I, that is the Union List and it does not appear in List III, namely, the Concurrent List.

The subject matter of the Bill appears in List-II which is the list of subjects falling within the exclusive jurisdiction of the States. Therefore, I must emphasis upon this House that we should not go into this question contemplated by the subject matter of the Bill and leave it to the wisdom of the various States.

Mr. Deputy-Speaker, Sir, I may point out that on 1st May, 1954 the then Attorney-General, Shri M.C.

* Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 22.11.96

* Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 22.11.96.

Settlewad, had appeared in this House. He was summoned; he came to this House and guided us on the subject matter of the slaughter of cows and its progeny and so on. At that time, the Attorney-General stated in this very House, the Lok Sabha, on 1st May, 1954 that this subject matter was not within the jurisdiction of the Paliament. He said clearly, categorically and in most unequivocal terms that the subject matter was within the exclusive jurisdiction of the States. Therefore, we have the opinion of the Attorney-General on record who had come to this House on the 1st of May, 1954.

I am sure even the States in thier wisdom will not come forward with such Bills. But that is a different matter. I do not want to go into the merits of the Bill. At this stage we do not go into the merits and demerits of the Bill. I am only pointing out with all the emphasis that I have, that the Bill is not within the legislative jurisdiction of this particular House.

One another point which I would mention, without going into the details because of the constraints of the rules, is that the Bill is totally unconstitutional in nature. At the introduction stage we do not go into the details. But I may point out that the Supreme Court has consistently laid down that a total blanket ban cannot be imposed.

The Supreme Court has been consistant from the very beginning in this particular matter. For example, take *Mohammad Hanif Qureshi's* case. *Mohammad Hanif Qureshi Vs. The State of Bihar* AIR 58, 23 April, 1958. On 23rd April, 1958 the Supreme court held and I quote :

"That a total ban on the slaughter of she buffaloes, bulls and bullocks after they ceased to be capable of yielding milk or of breeding or working as draught animals cannot be supported as reasonable in the interest of the general public and is invalid."

That was the Supreme Court's verdict in the year 1958 and since then the Supreme Court has been consistent in its verdict.

Very recently, we had such a Bill passed by the Madhya Pradesh Assembly and the Supreme Court gave almost the same ruling in that case also. Therefore, I have not gone into the merits and demerits of the Bill because that is not allowed at this particular stage. I must tell and I must implore upon the hon. Member, Shri Kashi Ram Rana, that the Bill is outside the legislative competence of this House. The Bill is totally unconstitutional.

I may, therefore, appeal to him to kindly withdraw the Motion that he has moved. Otherwise, Sir, I am constrained to oppose this Motion and appeal to the House not to grant its approbation to the Motion.

[Translation]

SHRI KASHI RAM RANA : Mr. Deputy Speaker, Sir, I would like to express my views on two points raised

by our old friend, Shri Banatwalla at the introduction stage of this Bill. I had already introduced a Bill of this nature during 10th Lok Sabha. I would like to refute the charge that this Bill is unconstitutional. I heard the judgement and court rulings quoted by Shri Banatwalla with due attention. It has also been mentioned in article 48 of the constitution but it is a national problem. It is being discussed all over the country so, I would like that the highest institution of the country-Lok Sabha should discuss this issues and a legislation should be enacted in this regard. I do not think this Bill to be unconstitutional. I would like to repeat it again that this Bill is a constitutional one. There is a mention in article 48 about this. It is our duty also to discuss this national problem in the House and enact a law in this regard.

Sir, many such laws have been enacted which have been challenged in the court. Many such Bills have been discussed and passed by the House. I would like to submit you that being a national problem, this matter reflects the sentiments of millions of people. Crores of people of the country, today, want that the slaughter of cows and bovine animals should be banned. This Bill, at present is at the introduction stage, so I would like that national debate should be held on this issue. There is no objection to it. I have introduced this Bill and would like it to be admitted.

SHRI ILIYAS AZMI (Shahabad) : Mr. Deputy Speaker, Sir, respecting the feelings with which our hon'ble friend Shri Kashi Ram Rana has introduced this Bill, it is clear that...(Interruptions)

MR. DEPUTY SPEAKER : Please listen to me for a while. One hon. Member has opposed this Bill and the mover of the Bill has already expressed his points. If I allow you, I will have to allow other Members also.

[English]

SHRI BASU DEB ACHARIA (Bankura) : Sir, if you allow him to make a submission, then you have to allow us also to speak...(Interruptions)

MR. DEPUTY SPEAKER : I am sorry; please sit down.

[Translation]

SHRI ILIYAS AZMI : I am neither opposing nor proposing. I shall finish my point within a minute.

[English]

SHRI BASU DEB ACHARIA : Sir, at this stage, nobody else should be allowed to speak, except the Mover of the Motion...(Interruptions)

MR. DEPUTY-SPEAKER : Yes, Now, nobody else can speak except the Mover of the Motion. So, please sit down.

[Translation]

SHRI ILIYAS AZMI : I shall finish my point within a minute.

MR. DEPUTY SPEAKER : Please sit down. In this situation a full discussion may take place.

[English]

Rule 72 says :

"The Speaker does not decide whether a Bill is constitutionally within the legislative competence of the House or not. The House also does not take a decision on the specific question of *vires* of a Bill."

SHRI RAMENDRA KUMAR (Begusarai) : Who will decide?

MR. DEPUTY-SPEAKER : I am telling you.

SHRI BASU DEB ACHARIA : The House will have to decide.

MR. DEPUTY-SPEAKER : Interpretation of Article 246 says :

"It is ultimately for courts to decide whether a legislation was within the competence of the Legislature or not."

(Interruptions)

MR. DEPUTY-SPEAKER : I have heard all of you.

(Interruptions)

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to prohibit the slaughter of cow and its progeny."

The motion was adopted.

SHRI KASHI RAM RANA : I introduce the Bill.

15.56 hrs.

CONSTITUTION (SCHEDULED TRIBES) ORDER (AMENDMENT) BILL*

(Amendment of the Schedule)

[English]

SHRI BASU DEB ACHARIA (Bankura) : I beg to move for leave to introduce a Bill further to amend the Constitution (Scheduled Tribes) Order, 1950.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution (Scheduled Tribes) Order, 1950."

The motion was adopted.

SHRI BASU DEB ACHARIA : I introduce the Bill.

15.56 hrs.

GOVERNMENT OF UNION TERRITORY OF ANDAMAN AND NICOBAR ISLANDS BILL

[English]

SHRI BASU DEB ACHARIA (Bankura) : I beg to move for leave to introduce a Bill to provide for the creation of a Legislative Assembly for the Union Territory of Andaman and Nicobar Islands and for matters connected therewith or incidental thereto.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the creation of a Legislative Assembly for the Union Territory of Andaman and Nicobar Islands and for matters connected therewith or incidental thereto."

The motion was adopted.

SHRI BASU DEB ACHARIA : I introduce the Bill.

15.57 hrs.

ACQUIRED IMMUNO DEFICIENCY SYNDROME (PREVENTIVE MEASURES) BILL *

[English]

SHRI BASU DEB ACHARIA (Bankura) : I beg to move for leave to introduce a Bill to provide for the prevention of control of spread of Acquired Immuno Deficiency Syndrome.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the prevention of control of spread of Acquired Immuno Deficiency Syndrome."

The motion was adopted.

SHRI BASU DEB ACHARIA : I introduce the Bill.

15.57½ hrs.

LAND ACQUISITION (AMENDMENT) BILL

(Amendment of Sections 11 and 23)

SHRI KASHI RAM RANA (Surat) : I beg to move for leave to introduce a Bill further to amend the Land Acquisition Act, 1984.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bi

further to amend the Land Acquisition Act, 1894.

The motion was adopted.

SHRI KASHI RAM RANA : I introduce the Bill

15.58 hrs.

NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES (AMENDMENT) BILL *

(Amendment of Section 2, etc.)

[Translation]

DR. LAXMINARAYAN PANDEY (Mandsaur) : Mr. Deputy Speaker, Sir, I beg to move for leave to introduce a Bill further to amend Narcotic Drugs and Psychotropic Substances Act, 1985

[English]

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Narcotic Drugs and Psychotropic Substances Act, 1985"

The motion was adopted.

[Translation]

DR. LAXMINARAYAN PANDEY : I introduce the Bill.

15.59 hrs.

HIGH COURT OF MADHYA PRADESH (ESTABLISHMENT OF A PERMANENT BENCH AT BHOPAL) BILL *

DR. LAXMINARAYAN PANDEY (Mandsaur) Mr. Deputy Speaker, Sir, I beg to move for leave to introduce a Bill to provide for the establishment of a permanent Bench of the High Court of Madhya Pradesh at Bhopal.

[English]

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the establishment of a permanent Bench of the High Court of Madhya Pradesh at Bhopal."

The motion was adopted.

[Translation]

DR. LAXMINARAYAN PANDEY : I introduce the Bill.

16.00 hrs.

CHILD LABOUR (PROHIBITION AND WELFARE) BILL *

SHRI RAMASHRAYA PRASAD SINGH (Jahanabad) : Sir, I beg to move for leave to introduce a Bill to provide for the prohibition of child labour and to make arrangements for their education, rehabilitation and welfare.

[English]

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the prohibition of child labour and to make arrangements for their education, rehabilitation and welfare."

The motion was adopted.

[Translation]

SHRI RAMASHRAYA PRASAD SINGH : Sir, I introduce the Bill.

16.0½ hrs.

HIGH COURT OF MADHYA PRADESH (ESTABLISHMENT OF A PERMANENT BENCH AT RAIPUR) BILL *

[Translation]

DR. LAXMINARAYAN PANDEY (Mandsaur) : Sir, I beg to move for leave to introduce Bill to provide for the establishment of a permanent Bench of the High Court of Madhya Pradesh at Raipur.

[English]

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the establishment of a permanent Bench of the High Court of Madhya Pradesh at Raipur."

The motion was adopted.

[Translation]

DR. LAXMINARAYAN PANDEY : Sir, I introduce the Bill.

16.01 hrs.

HIGH COURT AT ALLAHABAD (ESTABLISHMENT OF A PERMANENT BENCH AT BAREILLY) BILL *

[Translation]

SHRI SANTOSH KUMAR GANGWAR (Bareilly) : Sir, I beg to move for leave to introduce a Bill to provide for

the establishment of a permanent Bench of the Allahabad High Court at Bareilly.

[English]

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the establishment of a permanent Bench of the High Court at Allahabad at Bareilly."

The motion was adopted.

[Translation]

SHRI SANTOSH KUMAR GANGWAR : Sir, introduce the Bill.

16.02 hrs.

COMPULSORY EDUCATION BILL - Contd.

[English]

MR. DEPUTY SPEAKER : Now, we will take up further consideration of the Motion moved by Dr. T. Subbarami Reddy on the 2nd August, 1996. Prof. Rasa Singh Rawat was on his legs

[Translation]

PROF. RASA SINGH RAWAT (Ajmer) : Mr. Deputy Speaker, Sir, the discussion is being held on Compulsory Education Bill introduced by Dr. T. Subbarami Reddy. Bommai saheb has just arrived. We have already heard in the beginning that our policy regarding education is not clear :

"Nikale hain kahan jane ke liye pahunchenge kahan ye maloom nahin.

In rahon mein bhatakane walon ko manjil ki disha maloom nahin."

SHRI GULAM RASOOL KAR (Baramulla) : Why do you recite Urdu couplet please recite any Hindi couplet.

PROF. RASA SINGH RAWAT : The difference between Hindi and Urdu is in your mind. There is no such difference in our mind. Urdu is also a language of India.

I was saying that the Government lacked the determination and will power to implement the recommendations of Various Commissions set up from 1952 to till date be it Mudaliyar Commission, Kothari Commission, Ishwar Bhai Patel Committee, National Education Policy, 1986 or Rammurty review Committee, 1992. The financial resources required for strengthening infrastructure are also not available. The provision was made in the constitution that education will be universalised, the compulsory education will be provided to children of 6-14 age group within 10 years i.e. by the

year 1960 but it is a mockery that after 50 years of independence, when we are going to celebrate golden jubilee of independence, in 1996, despite all efforts, 40 per cent population is deprived of education and is still illiterate. The condition of girls education is worse when compared with that of boys. Our country occupies the topmost position in the world in respect of illiteracy due to which we feel much ashamed. The country where and Upnishdas originated, the country where enlightenment was attained and spread first and the land whose sages and ancestors imparted knowledge to the people of the whole world and the land about which it is said :

"Eddeshprastutasya Sakashad agrajanmna.

Swamswamcharitrairdev shiksheran
prithviviyam Sarvamanava".

People from all over the world used to come to the sages, great men of this country and gained knowledge in respect of character and all other field whereas today the education, even the primary level education is in a pitiable state. As for the provisions that have been made in the Bill - a period of 17-18 years has been recommended in place of 14 years and senior secondary education upto 12th standard has been made compulsory in place of primary education when we have not been able to reach the initial stage provided in this bill. The targets are praiseworthy. Ideally speaking, it is very much desirable that facilities are made available to provide education upto higher secondary i.e. 10 + 2 level compulsarily to all. The Government, whether it be the Union Government or the State Government, should open more and more schools and all the facilities should be provided by the schools to all such children whose parents earnings are less than one thousand rupees per month. Mid-day meal arrangements should be made, uniforms should be provided and text-books and learnings material should also be provided to all such children. There is provision in this bill to punish such parents who do not send their wards to schools. There is also a provision in this bill to stop and punish such people who force the children to work and those who want to deprive children of education. So, as a matter of fact the bill is commendable and I support it. However, Mr. Deputy Speaker, Sir, I would like to draw the attention of the Government through you towards the fact that now the Government have resolved to provide education to all by 2000 A.D. and to make everyone literate by 2000 A.D., the Government should achieve this target at least now. So far as the United Front Government is concerned, it is not very clear as to what is common about them. They are so much involved in other matters that the kind of attention that should have been towards such an important matter as education, is missing. The literacy campaigns are being run in states but the kind of fraud being committed in the name of Adult Education being provided on the pretext of imparting literacy, needs to be examined and there is a need to pay special attention towards education of

girls. We can achieve the target of providing 10 + 2 level education to all if the facility to gain primary education free of cost and compulsarily is made available to all by 2000 A.D. So attention should be paid towards this aspect. I would like to put a question to the Government as to how was the operation Blackboard scheme enforced and implemented. I would like to know as to whether two teachers in place of one have been appointed in every school? Whether arrangements have been made to compulsarily provide a school building in the villages where children used to attend classes under the trees in open ground? Whether the number of rooms has been increased? Whether the Government have made arrangements for mid-day meals for the children? In order to ensure 80 percent attendance, retain the nomination of the children in schools and to lessen the drop-out rate, wheat is supplied every month for the students in the name of mid-day meals. In this connection I want to know as to whether that wheat is sold in the market or is utilised by the parents to provide nutritious meal to their children? Why this nutritious meal, the mid-day meal is not prepared the provided in the schools so that the children, particularly living below the poverty line may get nutritious meals or balanced diet. What arrangement has the Government made in this regard? I would also like to enquire from the Government, through you, as to whether the Operation Black Board scheme has been reviewed and whether the amount allocated to States has been utilised or not? I would also like to draw the attention of the House towards the fact that education is an important tool to transform the society, being awareness and to build a better society and if education is made just another marketable commodity, it would be a curse for the society instead of being a boon. Our society is, otherwise, divided and sub-divided into castes.

Mr. Deputy Speaker, Sir, through you, I would like to draw the attention of Hon'ble Minister of Human Resource Development and submit that discrimination prevails in the field of education. On one hand we have the kind of education that is being imparted in villages; the condition of the schools, the position of staff and the state of playgrounds in these rural schools is very poor and on the other hand we have schools for rich people in cities. These schools are housed in spacious buildings, have proper staff arrangements and playground and then there are schools serving in the jhuggi jhopri and slum areas of cities. So, there is a discrimination in the education being imparted through various institutions. Those who have the means, buy education. Long queues are formed for getting admissions in Public Schools. People have the capacity to pay huge charges. Such people manage to procure for their children benefits of higher and expensive education imparted through English medium which is a sort of guarantee for employment. On the other hand how can the children, who have studied through the medium of Indian Languages, and the children who

have been educated in schools bereft of all facilities, situated in the rural areas, develop their personalities because :

[English]

Education is an all round, well balanced integrated development of the personality of a child.

[Translation]

How can this be made possible and how can such children compete with the children educated in English Medium schools in the competitive exams. How can they hope to qualify these exams. Therefore, there is a need to remove the discriminations prevalent in the field of education.

The successive Governments came into after Independence, have made an effort to impart education but have failed to provide value-based education. Efforts were made to impart education that leads only to a certificate but no effort was made to provide education based on our cultural and moral value system as a result of which a state of indiscipline, anarchy was created in schools, colleges and universities for which the responsibility lies with us. Those managing and handling the system of Education in the Government are responsible for this stage of affairs. There have been some shortcomings in their way of managing education and prescribing the curricula because of which though the education was provided education in true sense of the word was not imparted.

I would like to submit that :

Jaisa Khayenge ann, vaisa banega man,
Jaisa piyenge paani, vaisi bolenge vaani,
Jaisi milegi shiksha, vaisi prapt hogi deeksha,
Jaisi hogi drishti, vaisi karenge srishti,
Jaisa hoga vichar, vaise banenge aachar,
Jaisi hogi karni, vaisi paar utarni,
Jitna janenge dharam, utna shreshtha hoga
karm.

However, moral education was sacrificed in the name of secularism. The Indian Ideals, the Indian culture and the great men were not accorded their due place in the curricula. The pictures and life history of the Freedom fighters, which should have been there in the text books, are altogether missing. We kept on mentioning other things in the name of secularism as a result of which our youth fell a victim to dissatisfaction and anarchy. The kind of character they should have had, the patriotic spirit, the spirit of nationalism, the love for the country is not there whether at the primary, secondary or the Senior Secondary level. The values that are attained in teenage years serve as a foundation stone for life. We ought to contemplate bringing some transformation in schools, colleges and universities. Today the tendency to copy in exams is on the rise, the reason for which is that imparting of education is equated

with granting degrees and certificates. That is why short cut methods are adopted to get certificates and degrees at any cost. In a total contrast to the teachers we had earlier, today the tendency to give tuitions or to encourage the children to copy notes is on the rise in teachers. Efforts were made in some states to put an end to such a practice, however, the successive Governments opposed the legislation. As a result, the qualitative aspect of the education, the transformation and awareness envisaged to be brought through education is totally lacking and our hopes to build a better society through education remain unfulfilled. We wanted to bring radical change in the society, remove the prevailing superstitions and social evils. But our aspirations could not be realised. Due to paucity of time, I would like to say my points in brief. Education is the fundamental right of every citizen. Though it has been mentioned under the directive principles it is also enumerated in the constitution that education should be given priority. Article 45 of the constitution provides for compulsory education to children upto the age of 14 years. First, we should achieve this target and then the Government should make and endeavour to provide facility for all the students for education upto 10+2 level.

There is a need to raise the standard of education in rural areas for the comprehensive development of the country. It will envisage a better future. A large portion of our population live in villages. Therefore the students in rural areas should be encouraged through education in order to achieve the target in regard to upgrade the standard of education.

Today, discrimination is being made in the name of public schools as a result of which a gap is being created in the society. Public schools are considered best, then comes the number of private schools running under various names, then Kendriya Vidyalaya, and Navodaya Schools and the schools of Municipal Corporation and Municipal Council are considered of least importance. Now-a-days all the parents wish that their wards should study in English medium public schools. These schools admit children after taking a huge amount as donation and later on these children are admitted in Municipal Corporation Schools as they face difficulties in their study in public schools. The Government spends crores of rupees on these corporation's schools but there is a bad feeling in society in respect of the status of these schools. Therefore efforts should be made to raise the standard of education in these schools. Provision should be made for the training of teachers. 'Dite' have been set up in every district but it should also be monitored as to whether the teachers are being trained or not. It should also be ensured that all the facilities are being provided to these Government schools.

Recently a team has gone to Atlanta to take part in olympic games. The team returned with one bronze medal only. Is it good sign for our educational system. If the talented students had been selected at the primary and secondary levels and given opportunities to become

good player and encouraged to compete in sports, they would have performed better at college and university levels and then at State and National level. Therefore the Government should ensure as to whether all the facilities are available in the English medium schools, coming up like mushroom growth. So the standard of Government schools should be raised and the English medium schools, which have been set up in private sectors and which collect huge money as fees in the name of English medium education have become shops of education. This tendency should be stopped. Attention should also be paid towards technical and vocational education in order to make it employment oriented. In this way education could be made a tool for inculcating a feeling of self-sufficiency and social awareness in the society.

There is a need to pay attention towards the increasing tendency of school leaving by students. I am happy to say that consequent upon the conference of Chief Ministers, the Government has decided to spend 6 per cent of gross national product on education which was earlier just 3.7 percent during the Eighth five year Plan. This would definitely help in spread of education and in achieving the target of 'Education for all' and 'universalization of Education' by the year 2000. I hope that people of our country would become literate, disciplined and educated.

With these words, I support this Bill and thank you for allowing me to speak.

[English]

SHRI CHITTA BASU (Barasat) : I rise to support the Bill, wholeheartedly. I support not only for the reasons which have already been stated in the Statement of Objects and Reasons given by the hon. Member.

Sir, you might have also noticed that I have got a similar Bill for consideration today.

MR. DEPUTY-SPEAKER : You have your say on this very Bill.

[Translation]

You can say your point in it.

[English]

SHRI CHITTA BASU : I think there is another Bill in between.

MR. DEPUTY-SPEAKER : I know that.

SHRI CHITTA BASU : And if that is taken up for consideration, I will lose every possibility of giving out my view. Therefore, I would pray and seek your indulgence that these two Bills may be taken up together because the subject is the same, the principle is the same and there are only certain differences in respect of penal measures, quantum of penal measures and some of the details. I do not know whether rules stand in the way. If the rule does not stand in the way, allow

me to move the Motion for Consideration. I can speak on both the Bills and both the Bills may be taken up together

The hon. Minister is saying that he has got no objection to it.

MR. DEPUTY-SPEAKER : Identical Bills cannot...

SHRI CHITTA BASU : It is not identical.

MR. DEPUTY-SPEAKER : It is not possible.

SHRI CHITTA BASU : Thank you. I was thinking of speaking out today...*(Interruptions)* I shall not speak irrelevant, that much I can say.

The primary and only object of the Bill is for a legislation here for the universalisation of the elementary or primary education. I have also added in my Bill that the objective of the universalisation of the primary education but does not extend to the secondary stage. Therefore, I want that there should be universalisation of education up to the secondary stage because - I may not give the reason, at the present moment - I think there are certain differences on this issue with the other Bill also from that of mine.

The Government, as far as I know, is not opposed to the idea of universalising education of our country, particularly elementary and primary education. The Constituent Assembly of our country which framed the Constitution of the country also mentioned that in Article 145 (1) of the Constitution of the country that within ten years from the date of giving effect to the Constitution, all the children between the age of four and 14 would be provided with all facilities for compulsory education. According to that calendar, these steps might have been completed by 1960. So many decades have passed - we are now in 1996 - and we could not implement the constitutional directive that the children in the age group of 4-14 should be provided with education elementary and compulsory.

Sir, the compulsion arises from that that since more than 46 years if I am correct - have passed, in spite of the constitutional directive and the Directive Principles of the Constitution, this directive could not be given effect to. Therefore, the question of compulsion arises for the Government on the one side and the question of compulsion arises for the parents on the other side.

And the urgency of compulsion from the society is also required. It is an integral part of the movement for social justice. The Government must have some responsibility, the parents must have some responsibility, and the society as a whole must have some responsibility. A statute, incorporating certain obligations on the part of the citizens, on the part of the parents, and on the part of the Government, is urgently called for. This idea has motivated me to bring in this Bill.

The National Policy on Education, 1986, had envisaged to provide free and compulsory education

for children upto the age of fourteen years before the beginning of the 21st Century. According to that Policy, certain strategies were worked out. They are :

- (i) Universal access - Strategies were worked out to provide for universal involvement of children, including girls and people belonging to Scheduled Castes and Scheduled Tribes;
- (ii) Provision of primary school within one kilometre of walking distance;
- (iii) Facility for non-formal education for the school drop-outs;
- (iv) Education for working children and girls who cannot attend formal schools; and
- (v) Improvement of ratio of upper primary to primary school from the existing 1.4 to 1:2.

These are the general strategies which were worked out as a part of the National Policy on Education in 1986. One of the strategies was reduction of drop-outs which ranged between Class I and Class V and Class V to Class VIII from the existing 46 per cent and 60 per cent to 20 per cent 40 per cent respectively. That means, in case of primary schools, the percentage of drop-outs is very big and the strategy has been worked out under that Policy to reduce it from 46 percent to 20 percent and from 60 percent to 40 per cent, and in case of upper primary schools, the drop-outs could not be eliminated. The strategy was merely to reduce it.

So far as the achievement of target is concerned it was very little. The end of the process was the minimum levels of learning, that is upto Class VIII, by almost all children and introduction of this concept at the upper primary level. Beyond that, the society, the Government and the other agencies have got the responsibility. I think it is contrary to the Directive Principles of our Constitution.

Sir, I know this United Front Government is very much conscious of its responsibilities to implement the social justice programme. As I have mentioned earlier, the compulsory free education is the basic and the most important item for ensuring social justice.

Sir, for the perusal of the Minister of Human Resource Development, I also want to draw his attention to the Common Minimum Programme of the United Front. Please allow me to quote it because I want to be on record from this side as far as the Common Minimum Programme is concerned. In the Chapter on Education, it has been stated and I quote :

"Six per cent of the nation's GDP will be earmarked for education. This will be achieved by the year 2000 A.D. 50 per cent of these funds will be spent on primary education. Substantial funds will be earmarked for imparting technical and

vocational skills and training in order to turn out more employable and self-employed youth. The goal of the National Literacy Mission to cover ten crore adults will be achieved by the target year 1998-99. The NLM (National Literacy Mission) will give special attention to spread literacy among women. The United Front is also committed to making the nation fully literate by the year 2005. Special effort will be made in the States where there is very high incidence of illiteracy and constitute the bulk of educational deprivation. Weakness and loopholes in the implementation of the literacy programme will be identified and removed. The mid-day meals scheme will be implemented in all States to ensure regular attendance and retention in primary and middle schools. In every initiative that is taken to promote the spread of education, the girl child will be a special focus of education.

Sir, I am not making any comments. I simply want to both the Ministers to keep their electoral promise and establish credibility because the greatest thing in Indian politics today is the non-credibility of the political parties and the Government. My earnest request is, as a constituent of the United Front we are determined to keep this electoral promise, and I think on this side the Government should take the initiative, rather take fullest possibility in implementing what they have accepted as a Government of the Common Minimum Programme. It is a Bible, it is a Quran or it is something of the nature for those who really want social justice in our country to be ensured by the Government.

Sir, I am very proud to announce here and I think the Ministers will say that on the basis of the Common Minimum Programme, a Conference of the Education Ministers of the States and Education Secretaries of the States was held. I have no access to the Government information or Government papers, therefore, I say with caution that as far as I know, a general consensus emerged in that meeting. It emerged that the education should be considered as a Fundamental Right. A Committee has been set up under the Chairmanship of our Minister of State who is present here to make exercise with regard to feasibility i.e. the economic implications and other details of this general consensus. I think, the Committee have by this time sent their report or submitted their report and if the hon. Minister is agreeable...

THE MINISTER OF STATE IN THE DEPARTMENT OF EDUCATION IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SHRI MUHI RAM SAIKIA)
(a) It will be submitted in a short time.

SHRI CHITTA BASU : That report should be made public and that should be the property of the House because it is an important step in the direction of the fulfilment of the Government to ensure social justice.

Sir, I would also like to draw your attention to the judicial pronouncement by the Supreme Court in the *Mohini Mohan* case. It has been pronounced by the learned Judge that the right to life and personal liberty under Article 21 of the Constitution cannot remain a Fundamental Right unless education is considered as a Fundamental Right of the citizen. Sir, may I explain more? The political environment, the political commitment, the acceptance by the present Government of the commitment and overall all this has been further strengthened by the judicial pronouncement that education is to be accepted as a Fundamental Right.

Now, we are a party to the Universal Declaration of Human Rights. Our Country, India, is a party to that Universal Declaration of Human Rights. It declares :

"All individuals irrespective of sex, caste, economic status have the right to education."

India subscribes to this famous Declaration. How can I denounce this Declaration? How can this House denounce this Universal Declaration of Human Rights? Therefore, we have to implement this Declaration. There is no escape route. I would not allow any escape route of any Government, which wants to avoid this responsibility.

Sir, I do not say that the earlier Government has not done anything. That is not my case. What they have done is praiseworthy but that is not complete. I have got literature published by the Government itself, which says about expansion of primary education. I shall only read that part. It says :

"The total number of primary schools increased from 2,09,671 in 1950-51 to 5,72,541 in 1992-93. Although the growth in the number of schools is impressive, the infrastructural facilities left much to be desired. According to the Department of Education Annual Report (1989-90), out of 1,44,272 schools taken up for survey, the schools with kachcha buildings numbered 72,777, schools with thatched huts numbered 29,644, schools with tents numbered 2,546 and schools conducted in open space numbered 39,305. Despite the expansion, only 51.36 percent of habitations had a primary school/section within the habitation and 84.45 percent had a primary school within 1 km in 1986."

Therefore much more remains to be done. I have given these figures only to convince this Government that much more remains to be done. Of course, expansion has been there; facilities have been expanded but shortcomings are also there. In order to show that, I have mentioned these figures.

In order to shorten my time, I only read out what a very important educationist, who happens to be the Education Minister of West Bengal, has written.

He writes :

"We have in India 16 per cent of world population with 10 per cent of enrolment in higher education and the percentage of girl enrolment in this stage of education is further horrible. Only 6.6 per cent of the total enrolment of the world in the third stage of education is in India."

The condition of education is not only deplorable in case of primary or elementary education but in case of higher education also. That is what somebody is saying. Many people now say that we have done enough for higher education. Therefore, we should focus our attention on primary education. We need not work towards further enhancing the scope of higher education. The truth is revealed that only a very certain fraction, very minimum fraction of our young men and women has access to higher education. Even if their economic capacity permits, there is no social infrastructure for them.

Sir, there are more revealing of facts :

"Twenty-two per cent of school population of age group of 6-11 of the world are in India alone. One-third of the illiterate of the world are living in our country. The total child population of 6-11 age group of our country is about 12 crores, and out of that 6.2 crores fail to find any scope to get themselves enrolled in any primary school in India. World in average spends 4.8 per cent of its G.N.P. for education and the developing countries of the world have been spending 3.9 per cent of their G.N.P. for the purpose. But one of the most educationally backward country like India has been allocating only 3.5 percent of its G.N.P. for the course of education. So far as total public expenditure is concerned, India is lagging far behind. 14.2 per cent of public expenditure is being earmarked by developing countries whereas it is only 11.2 per cent in India. In this regard, it may not be out of place to mention that ...Bangladesh spends 14 per cent of its budget for education."

And our Government spends much less than that. I do not use the figure what we spend. What Bangladesh can do, we cannot do. What Pakistan can do, we cannot do. I have got other charts also to show that what Bangladesh can do, we cannot do; what Pakistan can do, we cannot do; what other developing and underdeveloped countries can do, we cannot do, so far as education is concerned. This is a sad commentary. I am very sad. I do not derive any pleasure out of this. It is a sad commentary on the condition of education in our country.

Sir I will conclude now. The current budgetary allocation in the Budget for the primary education is

about Rs. 493 crore. You will be astonished to know what the West Bengal State provides for in its Budget. The West Bengal State Budget provide for Rs. 695 crore so far as primary education is concerned. So far as secondary education is concerned, these State Governments spend only Rs. 225 crore for the whole year. It is all over the country and in all the States West Bengal spends Rs. 995 crore for the secondary education. Regarding higher education between the age group of 18-23 the enrolment in Asian countries, in general is 17 per cent and in India, it is six per cent.

What is my case? My case is that adequate attention should be given to education. In this case, I cannot be prevented from quoting what Prof. Galbraith has said. He is not Karl Marx, he is not Kalidin, he is not Lenin, but let us have that new messiah.

[Translation]

MR. DEPUTY SPEAKER : Mr. Basu, please conclude your point.

[English]

SHRI CHITTA BASU : Sir, I have lost that portion. What he says is that America is industrialised. America is a great power. That is a great power not because it has got much capital but because of the contribution made by the improved man, the improved human resources.

Sir, I have got this. Therefore, it is the question not only of capital, it is not the question of external help, it is not the question of IMF of World Bank, it is the question of improvement of human resources, human capital. Unless this human capital is properly harnessed and exploited, country cannot advance and country will get involved in disastrous wavering. Since all the Members are not having the spirit to listen to me, I conclude by saying that these things have prompted and inspired me to appeal to the Government and to this House that there should be a statutory compulsion for the spread, for the universalisation of education, for the free education and for some penal punishment.

I cannot prescribe penal punishment for the Government. But if it is made a Fundamental Right, Sir, then we open the scope, for the Government, of punishment. Therefore, I say that there should be universalisation of primary education. This universalisation should not be stopped at primary level alone, it must be extended to secondary stage and after secondary stage, the scope of higher education is also to be further expanded so that human capital may be further enhanced and the country's progress and prosperity can be assured together with social justice, which is also an important factor. Only development and no social justice is the American way, is the World Bank way. Here, we are for the development of people, development of the society, development of new human

values and development of an objective which creates a new society.

Thank you very much. Sir, I wholeheartedly support the Bill of Dr. T. Subbarami Reddy. If the chance comes to speak on my own Bill, I shall be more happy.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : Mr. Deputy Speaker, Sir, I rise to support the spirit of the Bill being discussed in the House today. Sir, why do I say 'the spirit of the Bill'? The Bill is there which seeks to provide for free and compulsory education upto higher secondary level to all children throughout the country.

As you know, Sir, we have a provision in the Constitution of India to provide for free education. It is not exactly 'provide', it is to strive to provide free and compulsory education for children upto the age of 14 years throughout the country. This is enumerated in Article 45 of the Constitution. This Article comes under the Directive Principles of State Policy.

As you are aware, Chapter III of the Constitution deals with the Fundamental Rights and the following Chapter, that is Chapter IV deals with the Directive Principles of State Policy. In that Chapter, under Article 45 we have this provision wherein it is stated :

"The State shall endeavour to provide, within a period of 10 years from the commencement of this Constitution, for free and compulsory education for all children until they complete the age of fourteen years."

The Constitution came into force in 1950 and if we calculate a period of 10 years from that, by 1960 all children upto the age of 14 years should have got the benefit of free and compulsory education. Now we are in 1996 and till today we are nowhere near that cherished goal. That does not mean that the country has not made an endeavour in this direction. There has been a lot of efforts put in this direction and considerable progress has been achieved. But considering the target that has been set by our Constitution makers we feel disappointed today.

When we are yet to honour this national commitment, when we are yet to fulfil this objective this Bill is before the House now which seeks to provide free and compulsory education upto higher secondary level. That is why, I say that the spirit is very good. Anybody can welcome this Bill. There is nothing to object. So, I also welcome this Bill. But we have to be realistic, we have to be practical.

16.53 hrs.

(Shri Chitta Basu in the Chair)

I would rather say that the enormity of the problem, the magnitude of the task was probably not properly assessed at that time in 1950 when the Constituent Assembly was meeting in the Central Hall of Parliament to consider the different provisions of the Draft Constitution. From that angle, we should take a realistic

view and all out efforts should be made to achieve this objective first, that is, to provide free and compulsory education for all children upto the age of 14 years.

Our effort is quite praiseworthy. What was the level of primary education after Independence, in 1950 when the Constitution was adopted? When the planning process started at that point of time the number of primary schools including upper primary schools was 2,22,000.

From 1994-95, it has now come to seven lakh forty thousand. So, the growth rate is more than 300 per cent.

Sir, coming to the number of teachers that we had, in 1950-51 - this is again in the primary education arena.

MR. CHAIRMAN : Just a minute. Three hours time was allotted and now it is going to be over.

[Translation]

The time may be extended by one hour.

SHRI NITISH KUMAR (Barh) : Alright, the Government is not providing funds for education, atleast time should be spared for discussion on it.

SHRI SRIBALLAV PANIGRAHI : At that time there were 5 lakh 74 thousand teachers whereas at present there are 28 lakh 26 thousand teachers. There is an increase of 4 thousand. It has been told that number of educational institutions has been augmented by 300 percent whereas our population has almost been doubled. In 1950 the population was about 45-47 crore which is now more than 90 crore and by the end of this century it is likely to reach upto 100 crore. According to the enrolment in primary education the population of students in 1950-51 was 41-42 millions which has now reached upto 148 millions.

[English]

Sir, the task that we have is rather frightening. Apart from 148 million students in this age group who are studying in the primary schools, there are another 28 million children who need to be admitted to the schools. Today, in the whole of the world we are the second largest country in respect of providing primary school education facilities. By 2000 AD - I do not know whether we need to be complimented or otherwise - we will be number one in the world. Today, China is number one and we are following them at number two. The number of children in this age group of India will be 232 million as against 230 million of China. That is why, I said that it is a frightening thing. I told the present level of our students - both who are inside and who are outside - need to be provided education. In this background we had a programme to complete this task within a period of ten years, i.e., by 1960. Then, by mid sixties, there was a Education Commission headed by Shri D.S. Kothari, the famous educationist.

17.00 hrs.

After analysing the position, they set out the target that by 1975-76 this task or this constitutional obligation should be accomplished. That also you could not accomplish. Then came the New Education Policy, during Rajiv Gandhi's time, 1986, and there again after a careful examination of the situation or consideration of the situation, they thought that we should go on till 1995-96 and we should see that this free compulsory education provision was enforced. Before that period ended, in 1992 the Reappraisal Group said that before the beginning of the Twenty-first century or by the turn of the century or by the end of this Twentieth century, we should see that every child under this age group of 14 gets the benefit of free compulsory education in the country.

In the Seventh Five Year Plan, we had allocated Rs. 6,000 crore for education. The Department of Education got about Rs. 6,000 crore in the Seventh Five Year Plan, which was raised to Rs. 18,000 crore during the Eighth Five Year Plan, keeping the requirement and the objective in view. If we really need to complete this task, to achieve this objective set out by different committees and commissions and accepted by the Government, then what is the financial requirement? An amount of Rs. 90,000 crore has to be earmarked or to be allocated to this Department of Education. Of course, there has been an announcement that this present allocation of three per cent of GNP will rise to six per cent of GNP in the coming Plan period, but that would not meet the requirement.

As you said, Sir, we are the largest democracy in the world and we are proud of that. At the same time, our heads also hang in shame when it is known that we are the largest illiterate country in the world. We are not only the largest democracy but also the largest illiterate country in the world! Sixty per cent of the total illiterates, all over the world, live in nine countries including India, Pakistan, Mexico and the nearby countries. This is our record.

As I said, we have increased the number of schools manifold and in terms of students strength also their number has increased so many times. But as it was rightly highlighted, Sir, even this Directive Principle deserves to be treated as a Fundamental Right. It should find a place in the Constitution under Chapter III as a Fundamental Right.

Why, in spite of all efforts, is this objective not being achieved? Our progress is far from satisfactory. What are the reasons? One of the reasons is paucity of resources, both on the part of the Government and also on the part of the parents. What is the growing percentage of people living below the poverty line?

In States like Orissa, more than 40 per cent people live below the poverty line. In our country as a whole, 30 per cent of the people live below poverty line. That is the national figure. Do you expect such parents who

are below poverty line to be willing and to be ready to send their children to schools? For them even their small children who are eight or ten years old are sources of income. Let us be very practical about it. Some awareness is coming gradually on the part of parents that without education, their children cannot prosper in their life. They understand it. But the compulsion is they have large families. Even though we have publicised the small family norm, it is yet to reach people. They have large families to maintain. They are rotting in absolute poverty to arrange two square meals for every member of the family. It is a stupendous task for the father and the mother of the family and in such background, we cannot expect every child of such a family to come to school. That way, we have to make some arrangement wherein the loss of income caused by the child of such a family going to school is duly compensated. Some allowance can be given or some sort of Employment Guarantee Scheme can be started. We have to set up residential schools for such children. For children of poor parents, uniforms, books and meals will have to be provided. Of course, it is now common knowledge that after the introduction of this mid-day meal scheme attendance in schools has gone up. It has been received well by parents... (Interruptions)

Anyway, these are the practical difficulties. More money has to be provided. The blackboard operation which was introduced ten years ago has done immense good to the primary education sector. School buildings have been provided. Apparatus has been purchased. Many things have been done. But even today, there are many schools without any structure or building. We have to adopt some new technology like open school, open institutions and open education. We have to see that more funds are allotted and this idea also may be made popular. I am not going into details. Some figures have been quoted by the previous learned speakers including yourself. But our purpose is two-fold, not only to bring every child inside educational institutions but at the same time, to strive for qualitative improvement in education. There must be not only quantitative growth but also qualitative growth. Considered from that angle, at least I am disheartened because the standard of education is going down and down day by day. What is the reason? The teachers should receive proper training. I do not know if the sincerity that is demanded of the Government employees, including teachers, is present in them. Teachership is just not a profession. It is also a mission.

It is now totally going to be a vocation and it is just a service mentality which is displayed, that too without the sense of sincerity, without any relationship between the student and the teacher and all those things are there. It is good that primary education is going to be manned by the lady teachers. Now, lady teachers are being appointed in different schools in the rural areas where there is no provision for their accommodation. While driving on the national highway at various places,

we find that the lady teachers are standing on the way just waiting for the bus to come and go. Again, from the highway point or the main road, they have to walk two or three kilometres. Then, where is the time for them to devote to the study aspect of the children? Therefore, my feeling is that quarters should be constructed for the lady teachers in the rural areas. If you ask them why they are not regular and attentive, they say that there is no provision of quarters, there is no accommodation available and even on rent they are not getting a house. This is the reply that we are getting. But everybody knows that we are progressing despite all these things.

I want to cite another example. If we go to a Government hospital, what sort of a treatment do we get there? What is the standard of treatment that is available there? The credibility of Government hospitals is so low that even the poor people are preferring to go to private nursing homes even by mortgaging their ornaments and whatever they have in their possession. In many places, people say like this : "Let me first save my life."

There is one thing. Regarding education, there is a mushroom growth of English medium schools. Even in the rural areas, we find different types of schools coming up. Of course, in these days of unemployment, many highly-educated young men and women are trying to establish some such schools. Parents prefer to send their wards to such schools because proper standard of education is not there in the Government schools, in primary schools. Therefore, this is also another problem. So, we have to address ourselves to this sort of a problem. We have to address ourselves not only about the quantitative growth but also about the qualitative growth.

There was a Conference of State Education Ministers and Education Secretaries. I think, in the month of August to consider different aspects financial, administrative, policy and other things - of how to make primary education a Fundamental Right. Two things are there. Educated people have got every right to employment. It is time for us to think how to make employment a Fundamental Right. And, this area of education is also there. Time is passing. As I said, the other countries without education have suffered a lot. Education is an input for development. We have to look at it from that angle also. It is an input for development and human resource development. We are doing that. If we cannot develop the human resource side, if there is no human development, if this aspect is not developed, naturally all other developments do not bring in the desired results.

With these words, I conclude. I said that the spirit of the Bill is good. I would like to hear you after this.

MR. CHAIRMAN : The point is that you support the spirit of the Bill.

SHRI SRIBALLAV PANIGRAHI : As I said, the spirit of this Bill is good. I will be happy if we can provide for free and compulsory education up to the higher secondary level even up to the age of fourteen. It is already there in our Constitution in Chapter-III which is yet to be achieved in its entirety.

This may be goal. But right now, we have to ensure whatever has been provided in the Constitution, in 1950. All out efforts should be made with all sincerity and with all seriousness to achieve that thing.

[Translation]

SHRI PRABHU DAYAL KATHERIA (Ferozabad) : Mr. Chairman, Sir, while supporting the Bill moved by the hon. Member Dr. T. Subbarami Reddy, I would like to say my point.

Sir, the members who have just spoken before me have presented the detailed statistics about our educational system. Hon. Minister is also present in the House I regretfully say that even after 50 years of the independence we are raising this issue today here. This issue was also discussed in this House 20 years earlier. We had been fighting for the right of education since then but I could not understand logic of it. This country has been divided in three parts—India, Hindustan and Bharat. Today 65 per cent population of India is living in villages. I would not like to go in details of the facts to waste the time of the House and like to say something about my area. It would be a great achievement for us if the Government, especially the hon. Minister ponders upon the facts presented by the Members who have spoken before me.

I have already mentioned that 65 percent people of the country live in villages, where there are about 1 lakh 96 thousand gram sabhas. The primary schools functioning under these gram sabhas are in very bad condition. We are discussing here the issue regarding compulsory and free education for the children to the age of 14 years. The Government of India has also adopted double standards in respect of education of 65 percent population living in rural areas as had been done by British rulers. Had the sons of a farmer and labourer provided proper education, they would have been able to take I.A.S. and I.P.S. examinations. Even today we find that wards of the leaders rich people can take part in I.A.S. and I.P.S. examinations, why? It is because of the double standards adopted in respect of education policy. Today, we have not been able to provide compulsory education for people belonging to backward castes living in backward areas. Leave the issue of higher education or engineering education and look at the condition of primary schools. The condition of primary schools in rural areas is deplorable. I would like to say some points about my Parliamentary constituency.

In my constituency, Ferozabad, there is a Navodaya Vidyalaya located at Shikohabad which comes under

the Central Government. There are slaughter houses near that Vidyalaya due to which infectious diseases like dengue are spreading there. I have written three times to the hon'ble Minister in this regard but I regret to mention that no action has been taken in this connection. Further, I had also made a submission to the hon'ble Minister that the Principal of that Vidyalaya was working in that Vidyalaya for the last 14 years and irregularities are increasing there. As regards lady teachers, I have also met him three times. A member of Parliament represent 20 lakhs people. We can also sit in your place tomorrow. Today, we are sitting in Opposition, earlier you were here but primarily a Member of Parliament is a Member of Parliament rather than being a member of opposition or the ruling party. His feelings should, therefore, be honoured...*(Interruptions)* I would like to submit that a model education policy has not been formulated till today. Therefore, my submission is that claim of opening five lakh schools is only on papers. The Government should see as to how many schools are being run at a particular place. When I was a member in the consultative committee on Labour, a Bill was introduced that time also and later on it was passed unanimously. At that time our present Speaker was Minister of Labour. The main feature of that Bill was that arrangements would be made to open a good standard primary school in every district only for the children of labour class but the Government of India have not been able to do so as yet. Still not even a single such school has been opened in any district Headquarters.

Mr. Chairman Sir, education is a temple of knowledge. I think if a person is provided with good education, whether he is poor or rich, he can express his views effectively anywhere in the country. But unfortunately, all are not able to get proper education. I would not like to repeat the points which other members have already made. I would only like to submit that the problem which we have been talking about after Independence, should be resolved unanimously in consultation with the Members of the opposition and others and an education policy should be formulated. The provision made in the constitution about compulsory education for the children upto the age of 14 years that has also been envisaged in this Bill, which should be passed in this House unanimously. Supporting this Bill, I conclude.

SHRI NITISH KUMAR (Barh) : Mr. Chairman, Sir, I support the Bill which has been brought by Dr. Reddy. Our Hon'ble Members who have spoken on this issue, including you, have said that free and compulsory education should be provided to the children. Provisions have not yet been made according to the Directives Principles of the State Policy enshrined in the Constitution. You have held detailed discussions on the position of primary and middle education in the country today. Just now Shri Panigrahi, was speaking. He has told that positions has improved in this regard

to a great extent. Especially, the number of dropouts is decreasing. He has made a special mention about the midday meal scheme. This scheme was implemented by the earlier Narasimha Rao Government. Shri Panigrahi is of the view that this scheme has proved very successful. Education should be imparted to all but there are some reasons for which this vital policy could not be implemented. There are two-three points to be noted in this regard. The first thing is that people of our country are very poor due to which parents are not able to provide better education to their children. The second thing is that there is a shortage of means of education. There are no schools in the villages and where there are some schools available, their condition is very bad. In spite of this, the children who are somehow able to go to schools cannot continue their education due to the poor financial condition of their parents. What is the position of mid-day meal scheme. Panigrahi might have an experience of this constituency with regard to this scheme. Recently, I was visiting my constituency where I came to know that there cannot be any bigger fraud than the fraud which is going on in the name of mid-day meals scheme.

Sir, a photograph was published in newspapers in which the former Prime Minister Shri Narasimha Rao was eating delicious food along with the children. But when I reached my constituency, I came to know that no mid-day meal scheme was going on there. The quantity of grain is fixed in the name of each student on daily basis but in fact, it comes to only three to five k.g. per month. Sometimes, grain is given once in three months, once in four months and sometimes once in six months and that too is not given in the school. There are four-five places fixed for the whole block where children have to go to get the grain. The children have to go upto eight-ten kilometers away from their villages to collect grains and they are given ten to twenty kilogram, of grains at a time.

SHRI SRIBALLAV PANIGRAHI : In many constituency, they are provided with the cooked food.

SHRI NITISH KUMAR : In my State Bihar, such is the state of affairs. What does it mean? Grains are given once in three to six months. How can a child carry twenty five kilogram grains from a distance of eight kilometers? Whether this is the mid-day meal scheme? Whether we had excepted it from Shri Narasimha Rao. Grains are released from F.C.I. godowns to Blocks and from Blocks, teachers have to carry it to the schools but they are not provided any transport charges. One block has a population of 70 thousand to 1.25 lakh. Only four places are earmarked in a Block from where children carry the grains. Whether the Government want to stop drop-outs in this way? Shri S.R. Bommai is a competent person and has been the President of the Jantal Dal for a long time. He was the President of our Party while I was only a General Secretary. He has competence to continue this scheme in such a situation. After all the

Government is yours. Your Government have been formed with 13 Parties and now only 12 Parties are there after merger of one party. In such a situation, it is very necessary for an efficient person like you to do something and implement this scheme in letter and spirit so that the children may get mid-day meal in the school.

Long time back, a milk scheme was launched in which some teachers had all round gains. The milk powder meant for children did not reach them. It was sold in the open market. Such schemes are launched when a natural calamity takes place at any place. In such a situation, some teachers have all round gains through illegal means due to which the reputation of all teachers tarnished. Children get inspiration from them and follow their conduct. The image of teachers tarnished in the milk scheme as well as mid-day meal scheme. We thought that the grains might have been finished in the way. But now my submission is that the children should be provided mid-day meal in the schools itself and that too of good quality.

Will our policy framers and specially the Education Secretary think that if they send their children to school, will they allow them to eat such food. But they would like the children here to get such food. There are two types of schools. One is in public sector and the other in private sector. The above two types of schools are functioning for the past several years. When we were students our slogan used to be uniform education for sons of President and untouchable. Thereafter such persons who used to raise slogans joined Government but the conditions did not change. The same education system continues even today. When persons who were with us, enter the Government they give the plea of inadequate resources and say that those who can educate their children in public schools should not be stopped. I am also not in favour of stopping anyone from studying. But the condition of municipal and gram panchayat schools would not improve unless the children of ministers and high officials do not get education in those schools. Therefore, unless the children of affluent class, such as Tatas, Birlas or other industrialists, or of high Government officials, or of high officials of public sector undertakings, or of the ministers and leaders, go to Government school, the condition of Government schools is not going to improve. You come to Patna. There are such schools where the teachers outnumber the students. I am saying this with full responsibility. The actual condition may be slightly different. At places the students may outnumber the teachers. But very few students are attending municipal and corporation schools. The teachers are there because of the Government job.

Shri Ramendra Kumar and his party remained associated with education movement. This resulted in simplification of education. This was good and the pay scales of the teachers improved. But the education

system did not improve. Through over condition we can visualise the condition of others. I know about the condition in my State. On asking, the officials tell us that 80-90 percent of the budget is spent in the salaries of the teachers. No money is left for the construction of school building.

Now, Shri Panigrahi mentioned the need to construct living quarters for lady teachers. I feel that we should mobilise funds for the construction of school buildings first you come to my State. The school has no building. The student study under the tree or in such a house, that may collapse anytime, and would hit the headline in the papers. When a Member of this House expires a condolence motion is introduced. Similar condolence motion would be then introduced expressing grief at the death of 200 students, due to the collapse of a school building in a certain village in Bihar.

Shri Bommai never visits Patna. Now a days he does not like to visit Bihar. Make a surprise visit and see the condition there.

SHRI SRIBALLAV PANIGRAHI : If you speak in such a manner you will cause his removal from ministership.

SHRI NITISH KUMAR : Shri Bommai fears to go there. Remember the way Shri Bommai was removed. It is a different matter. But I feel that one day he will forget it...*(Interruptions)* Shri Remendra Babu, politics is every where. Why are we sitting here. Which field remains untouched with politics.

SHRI RAMENDRA KUMAR (Begusarai) : To whom you will support, Shri Bommai or Shri Laloo.

SHRI NITISH KUMAR : This does not concern us. This concerns you. I want Shri Bommai to show some courage and see the condition of schools there. No matter how many schemes you may start, unless they are actually implemented those schemes would be meaningless.

There can be no opposition to the spirit and aims and objectives of this Bill. But the question is that you should think over the situation and then take a decision

[English]

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI S.R. BOMMAI) : So far as implementation of the mid-day meal scheme is concerned, the Government of India gives foodgrains and transportation charges. The foodgrains are to be lifted from the public distribution shops, and not from the blocks, upto distribution centre where people holding ration cards get the foodgrains and after that transport is provided. So far as cooked food is concerned, money will have to be spent....

[Translation]

PROF. RASA SINGH RAWAT : Primary schools are running in jungles and hilly regions. And the ration shops are also located in very remote areas.

[English]

SHRI S.R. BOMMAI : I accept that there are exceptions. I do not deny it. I am not denying what Shri Nitish Kumar has said.

In some States, they give cooked food and also pay for it. There are some such arrangements. In some other States, there are voluntary organisations who come forward, prepare the food and distribute it timely to the students. In some other States, there are village panchayats which are very competent who come forward and contribute for that.

That is how, in some States cooked food is being given. There are 14 such States. The States of Tamilnadu, Kerala and Karnataka are included in that. I can give you the names of the 14 States which are doing like that. They are spending additional money from the States' exchequer. This is how this scheme is working.

Now, the Committee is considering a suggestion; a suggestion has come stating that we should give cooked food throughout the country. Still it is not finalised. For that, 50 per cent must be given by the State Governments and the other 50 per cent must be given by the Central Government so that cooked food can be given to every student at the school premises itself. That matter is under consideration.

I agree that there are some places where at least the foodgrains are lifted. In some States, the foodgrains are not lifted at all. Even for three or six months, the foodgrains are lying there itself and the money given by the Government of India is not spent by those States. There are such places and such districts. I do not say that there are no lapses; there are lapses and the position should be improved.

[Translation]

SHRI RAMENDRA KUMAR : This is satisfactory.

[English]

MR. CHAIRMAN (SHRI CHITTA BASU) : Mr. Nitish Kumar is on his legs.

[Translation]

SHRI NITISH KUMAR : You will know if you visit your constituency. The Hon'ble Minister has stated that the Government's policy is that the foodgrains should reach the Public Distribution shops and it would not be taken to the block level from the godowns of the Food Corporation of India. But I know that this is not happening and when I raised this question here, he is saying that the PDS has to be approached. This would be disastrous. Funds are not being given for distribution, and this is not even reaching the PDS. I am not aware of the situation in Uttar Pradesh. In such a situation how will you provide education? You talk of High school level and Secondary level. Whereas the condition of Primary Schools is very bad. Teachers are not appointed.

They do not favour being posted in the villages. There are no vacancies in the cities. And, then, this is the problem of Bihar. There, the teachers are being transferred in large numbers. This is happening in all the States. The teachers should be recruited at the local level so that they do not have to go far. The teachers are unable to do justice to their jobs due to frequent transfers. They should think over this. Policy should be framed keeping this aspect in view.

Mr. Chairman, Sir, regarding the issue of High School or Middle School, there used to be Committees for this. People used to manage this. But now the Government has taken over the schools as a result of which responsibility of the government has increased. If the School has to be whitewashed, and the building has to be repaired the Government has to give money. And if money is not given, the building collapses after some time. This is the condition of old schools. New Schools are not being setup. Previously private schools were setup with the permission of the Government. The students, thus, could be educated. But it did not benefit the teachers at all. Through those schools, the students were prepared to appear in the Secondary level examinations. Now the situation is such that permission to setup schools is not being given. The situation is such that schools are not being allowed to be setup and the Government too, does not setup new schools. How can education be spread? How can the education of the children be ensured upto the middle level? How will you provide education to someone if he wants to continue his studies after the primary level?

Secondly, there are financial constraints. On one hand some teachers get a substantial amount as pay and then there are some schools where teaching goes on but salaries are not given. In Bihar, no money is being provided for education. The teachers of Bihar staged a demonstration in the streets of Delhi in semi-attired state. I had raised the matter in this House and Hon'ble Speaker had directed the Government of Bihar to look into this issue.

[English]

SHRI S.R. BOMMAI : The Bihar Government has not recognised them as Government employees. They are not Government employees of the Bihar Government. This is the stand of the Bihar Government.

[Translation]

SHRI NITISH KUMAR : It does not matter as to what is the stand of Government of Bihar on this issue. The fact is that such schools and colleges are recognised and the teachers working in these colleges as well as other employees working therein have been accorded recognised status by the Government and then it is said that Government would not give any financial assistance—this is what has been termed as education without Government aid. Under Congress Party regime, all sorts of experiments have been carried

out. Even then we have had such Chief Ministers who implemented a policy of education without government aid. If I mention the name, you will raise objection. But this happened during the regime of Dr. Jagannath Mishra and this system of education without Government aid has become so deep rooted that now education is getting completely wiped out as a result thereof. Even the minimum wages act is not being implemented there.

SHRI RAMENDRA KUMAR : Are we supposed to be discussing Bihar?

SHRI NITISH KUMAR : Please tell him that education is in the concurrent list. Whenever discussion takes place, states will also figure in it and the M.P.s would speak out on the subject from the experiences gained in these states.

MR. CHAIRMAN : Please do not pay any attention to what he says.

SHRI NITISH KUMAR : He is raising objections. They took out a rally, staged a demonstration and also gave a warning to the Government. Although their cadre was in favour of condemning the Government but then they gave only a mild warning. Their workers are not happy with this. I do not know what objection does he have? Whenever the issue of education without Governmental aid is raised, the implementation of minimum wages act comes up. This act is not enforced even in the case of those who are educated and are teaching in schools and colleges. You have given directions that tuition fees should not be charged. Then where would the money come from? In this way, so many systems of education are operating. So long as uniformity is not brought in this regard, improvement can not take place. Uniform education policy should be adopted at primary and secondary level and such education should be provided compulsarily. This should not be the case that D.P.S. is functioning separately. Then there are private educational institutions popularly known as Public Schools. They take a lot of money as donation and then give all possible facilities to children belonging to rich families. They have playgrounds and other facilities at their disposal. On the other hand there are no benches to sit children, no blackboards to teach them and further the children have to attend classes in open spaces under the scorching sun. So long as such a situation prevails our goals of providing uniform and free education to all will not be fulfilled. What is more important is that if the Government has the will power, everything can be arranged. Government has always lacked the will power. We have ignored 'Bharata' to promote 'India'. The state of schools of 'Bharata' is deteriorating whereas the schools of 'India' i.e. the English medium and public schools are flourishing.

[English]

MR. CHAIRMAN : There are other members also to speak.

[Translation]

SHRI NITISH KUMAR : I am concluding.

It is imperative that uniform education is provided throughout the country and strict measures should be adopted in this regard. Shri Bommai is the Minister of Human Resource Development. The name of Ministry of Education has been changed.

SHRI S.R. BOMMAI : That did not happen under our regime.

SHRI NITISH KUMAR : It did not happen under your regime. All these cosmetic exercises have been undertaken in the regime of Shri Panigrahi. Rajivji liked such exercises. The name of Ministry of Education has been changed to Ministry of Human Resource Development. But is the so called development of human resources really taking place? On the contrary, destruction is taking place. People are not becoming literate instead the number of illiterates is rising and when the education is not provided at lower levels how are we going to control population especially when you have just mentioned we will soon surpass China in matter of population. What can be done because whenever a scheme is launched, its benefits are diluted in view of the rising population. Hence there is a need to have education at every level. There is a need for public education. Mr. Chairman has said that I should conclude, hence I am concluding. So far as Adult education and whatever else being undertaken in the country today is concerned, you may also be aware that various types of education are being provided i.e. non-formal education, adult education, elementary education. All the money should be pooled for one type of education only. It is not that harmful if people are unable to become literate even after 25-30 years but it is far more harmful if our forthcoming generation is deprived of education. If funds are left after that, adult education and non-formal education should also be provided but first of all the Primary education should be put in order and uniform education should be provided. All your schemes should be implemented in letter and spirit. At the end I would like to say that there are many states where development is taking place in isolation. If you compare Bihar and East Uttar Pradesh with Maharashtra, Gujarat, Karnataka, Tamil Nadu, Punjab and Haryana, it would be an injustice. Some areas have developed unabated and there has been an increase in their per capita income. If the Government implements any scheme uniformly for all the states, it would not be fair implementation. Hence the Government should identify some states especially the backwards states and whenever any such schemes is implemented in these states, it should be completely funded by the Union Government. Of course, the states have some rights too and we are not in favour of curtailment of their rights. However since the funds would be given by the Union Government, hence there should be a monitoring mechanism to ensure that the funds are not misutilised.

[English]

SHRI S.R. BOMMAI : I want to give information. The most backward States in education are Bihar, Uttar Pradesh, Madhya Pradesh and Rajasthan. These are in the Hindi belt. The literacy rate, particularly among women, is only 15 to 20 percent or even less than that.

[Translation]

SHRI NITISH KUMAR : That is what I want to submit. The states which are said to be the backward states: out of the four states that you have mentioned, Bihar is the most backward state and so far as your statement about female education is concerned, it goes to the credit of Bihar that there is only one woman Minister in the present Government and she is from Bihar. Education may or may not be there but the State does not lag behind in politics. With these words, I request you to implement special scheme for these states and support this bill.

SHRI GANGA CHARAN RAJPUT (Hamirpur) : Mr. Chairman, Sir, thank you for providing me an opportunity to speak on the discussion on the motion for consideration of the Private Members' Bill regarding Compulsory Education moved by Dr. Reddy. All the Members expressed almost similar views and all of them emphasized on only one point that the dual education system should be abolished. Instead, there should be a Compulsory Education System. Education is the greatest problem of our country. It is a country of Goddess Saraswati and She is worshipped here by larger number of people in comparison to any other country. But, unfortunately we have the largest number of illiterates. This dual education system has been in vogue in our country for centuries. It was in existence in Ramayana era and Mahabharat era as well. In the present system, a poor child or a child belonging to 'Shudra' can study but the education system of that era was limited to the palaces of Kings only. It is the result of that culture and system that two-third population of our country remained illiterate and is still illiterate. There used to be 'Gurukul' in Mahabharat era. Whenever any 'Shudra' child went for education in those Ashrams, he was humiliated like 'Eklavya', who after humiliation, went to the jungle and started getting education by making an idol of guru 'Dronacharya'. Even then our social system asked for his right hand's thumb as 'Guru Dakshina' and deprived him of education. It was not a solitary case.

Likewise, when 'Karna' went to the Ashram of Guru Dronacharya, he too was not admitted to the Gurukul and forced out of the Ashram with the warning that Shudras had no right to education. It has been mentioned in 'Vedas' and 'Manusmriti' that Shudras and women have no right to education. It is because of that system that today, a large number of women are illiterate in our country. In fact, only 15 percent women are literate. Though the Governments kept on changing in the

country, the poor and women continued to be deprived of education under a conspiracy.

In the dual education system prevalent in our country, rich children enjoy the facility of education, while the poor children remain deprived of it. Even today, there are many schools for the rich children but for poor children, if study material is available at primary level, there is no good school building and if the building is there, there are no teachers and if teachers are there, there is no blackboard and if all these things are available, the school does not have adequate students.

Therefore, through you, I would like to request the hon. Minister of Education that since he has fought for the cause of social justice he will have to get the bottom of this problem. When a Dalit boy wakes up in the morning, the problem of meal arises before him. He does not think of school but is always concerned about the food. After waking him up, his old parents send him to wash utensils at some one's house or to do some other works. We see several young children selling peanuts at Railway Stations or bus-stand and some of them washing utensils in hotels.

When the boy brings his earnings in the evening, only then he and his parents get food. Therefore, the need of the hour is to get to the bottom of the problem and find solution to it.

Our country has the largest number of child labourers. Unless we solve the problem of child labour in the country and make it compulsory that no child below the age of 14 years will work in any factory or any hotel or do other labour work... (Interruptions) Many laws have been enacted but these are not implemented.

If one happens to go to Railway Station in Delhi, he will find many children polishing shoes. Many other children can be seen washing plates in hotels and restaurants but we just ignore them. We also see children selling peanuts and newspapers while travelling in trains. Do we not see small children selling newspapers, when our cars stop at red light? do we ever think of purchasing a newspaper for 50 paise? How much do they get? Rs. 10 for a whole day! Making education compulsory, will not solve this problem. The Government will have to take stern steps to end the problem of child labour. The Government will have to make arrangements regarding shelter, mid-day meals, school uniform and books etc. for working children. Only then the compulsory education will serve the purpose.

[English]

MR. CHAIRMAN : We had extended the time for the discussion by one hour and that one hour is also over. Is it the desire of the House to extend the time further as many Members want to speak on this?

SHRI S.R. BOMMAI : I will be thankful if it could be postponed to the next day as I have to attend a Cabinet meeting at 6.00 o'clock.

MR. CHAIRMAN : I think you have not understood me. I am asking for extension of time for discussion of the Bill and not for the sitting of the House. It will be taken up next time.

SHRI S.R. BOMMAI : I leave it to the House.

[Translation]

SHRI NITISH KUMAR : Mr. Chairman, Sir, please allot one hour more for discussion on this Bill.

MR. CHAIRMAN : With the leave of the House, the time for discussion on this bill is extended by one hour.

SHRI GANGA CHARAN RAJPUT : Mr. Chairman, Sir, as per present educational scenario, in my Parliamentary Constituency falling under Bundelkhand, a most backward area of Uttar Pradesh, there is only one junior High School covering a population of 30 thousand. There are no primary school buildings in nearly 500 village Panchayats. Even today, we do not have a single Navodaya Vidyalaya in our districts. The percentage of literacy is minimum in Uttar Pradesh and in my Parliamentary Constituency - it is 26 percent. This is reason for utmost poverty in the area. Sir, everyday, the farmers, the peon and the labourers come to Delhi by Qutub Express in search of job. They are accompanied by their small children. They get work in buildings and roads under construction. Whenever I happen to pass through any such place, I often see children of my Constituency there.

MR. CHAIRMAN : The time is over. Please conclude.

SHRI GANGA CHARAN RAJPUT : I am concluding. The situation on the educational front in the country is not good. There is no meaning of Non-formal education and adult education and the budget allocation therefor. The Government is trying to teach an old man of 70 years and spending money on him and that too on paper only. I alongwith the district magistrate have inspected many such educational centres and found no adult education centre functioning satisfactorily. On inspection day, the old people of the Mohalla are collected, provided books and slates and are persuaded with selfish motives that in case somebody asked them about their attendance, they should tell them that they attend the classes daily. In this way, the fund is being shown spent on papers only.

18.00 hrs.

Therefore, my suggestion is that it should be done away with. I would like to suggest that one million unemployed graduates of the country should be involved in literacy mission. If they are paid rupees one thousand per month, it will involve an expenditure of Rs. 1200 crore in a year, while the Government is incurring an expenditure of Rs. 2000 crore per annum on formal, non-formal and adult education. These persons will get employment and they will make the entire nation literate within a period of five years.

Secondly, I would like to submit that the condition of Navodaya Vidyalayas is known to every one. It is not serving the purpose for which it was set up. These schools do not have buildings and if there are buildings, the schools lack staff. Many schools are being run in huts. The Navodaya Vidyalaya in district Mahua, does not have its own building so far and it is being run in huts. The Government formulates schemes but it is not implemented properly. In Common Minimum Programme of the United Front Government, You have resolved to make education as a fundamental right.

But till now, no step has been taken to implement that resolution. I would like to say that the United Front Government have introduced many good programmes but not a single of them is being implemented properly.

[English]

SHRI S.R. BOMMAI : On the subject of making education a fundamental right a meeting of Chief Ministers of all States was held. After one month of that, a meeting of Ministers of Education of all States has been held. A meeting of Educational Officers of all States has been held. A meeting of experts in the field in the country has been held. My colleague Shri Saikia is the Chairman of that Committee. There are about 11 state ministers in the committee. The committee had held three meetings so far. They are going to submit their report within 15 days on the very issue after which I will come with the proposals. Things are being done.

[Translation]

SHRI GANGA CHARAN RAJPUT : If it is so, then I thank you for that. The society has changed, the social conventions have also changed. Therefore, atleast, this dual education system should be done away with. The Government should take concrete step in this regard. The son of poor studying in primary school becomes peon and the son of the rich studying in convent school becomes the collector. Rupees five thousand per month are spent on the education of the son of the rich, whereas it is only fifty paise per month which is spent in case of the son of the poor. How can one expect him to become the Collector or S.P.? The Government should atleast make efforts to provide uniform education to all, be it the son of a leader or a rich person or that of a poor person. These poor do not lack ability. Baba Saheb Ambedkar was the son of a poor. He proved his ability and became the framer of the constitution of this country. Therefore, the Government should implement the promises made by them. In my constituency, Hamirpur, the building of a primary school collapsed and four children were buried under the debris. The records show a building there but the fact is that the building was not fully constructed and the school was being run in a kachcha house, which collapsed in heavy rain. Four children died and about more than 50 children were severely injured. We wrote to the hon'ble Governor of U.P. and even then no action has been

taken against the guilty officials. Today the situation is such that M.Ps write letters and send complaints to the hon'ble Minister but those letters are never replied to. Only it is replied, "Your letter has been received" and action is being taken." But it is a matter of concern that even after lapse of two-three months, no reply about the action has been received. When I wrote a letter to the hon'ble Minister requesting him to open a Navodaya Vidyalaya in my Constituency as no Navodaya Vidyalaya is there, the hon'ble Minister replied, "action is being taken in this matter." Even after lapse of four months no reply has been received in this regard.

SHRI S.R. BOMMAI : We meet everyday but you never asked me about the reply.

SHRI GANGA CHARAN RAJPUT : We do meet but it is the concern of the officials.

The Government should atleast be serious about education because during the Second World War, Churchill...(Interruptions)

MR. CHAIRMAN : Rajput ji, please look at the clock.

SHRI GANGA CHARAN RAJPUT : During Second World War, when Churchill had curtailed the education budget, the then Minister of Education of England had said that if our country remained illiterate then it will become slave for centuries and if we lost the War, then our country will become slave for a limited period only. therefore we should pay more attention towards education. If the people of our country become literate and get scientific knowledge, the evils of casteism, communalism developing in our country and all sorts of disputes in the name of language and region will

automatically come to an end. Therefore, we should spend maximum amount on education and I demand that atleast 10 percent of the budget should be spent on education. I would like to say that there are people, belonging to weaker sections of the society and deprived of education for centuries, who are still living in disgrace and being treated like animals. There is a saying :

"Bina Parha Nar Pashu Kahave".

It means that uneducated people are treated like animals. These people belonging to untouchables are leading a life worse than the animals. The facilities which we want to provide them are not reaching them. Therefore, I would like to say that there should be free education for the people of backward classes and especially, for women. Their educational expenses should be borne by the Government and besides this, the expenses made on their living, food and books etc. should also be met by the Government. Then only, we can make this country fully literate and develop it and save it from social evils. With these words, I conclude.

[English]

MR. CHAIRMAN : Now the house stand adjourned to meet again on Tuesday, November 26, 1996 at 11.00 a.m.

18.08 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, November 26, 1996/Agrahayana 5, 1918 (saka)

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