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LOK SABHA DEBATES

LOK SABHA

Friday, September 6, 1996/Bhadra 15, 1918 (Saka)

The Lok Sabha met at Three Minutes Past

Eleven of the Clock

[MR. DEPUTY SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[English]

Industrial Backwardness of Kerala and Orissa

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*481. SHRI P.C. THOMAS:

SHRI BHAKTA CHARAN DAS:

Will the Minister of INDUSTRY be pleased to state:

(a) whether investment in the industrial sector is uneven in several areas of the country;

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

(c) whether Kerala and Orissa are the most backward States from the point of industrial development and investment; and

(d) if so, the steps proposed to promote the industrial development and to increase investment in these States?

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

(b) 10 States account for 86% of the investment indicated in Letters of Intent (LOIs) issued and Industrial Entrepreneurial Memoranda (IEMs) filed with Ministry of Industry from August, 1991 to May, 1996. The uneven investment in industrial development, among the States is on account of divergence in availability of natural resources, the level of economic and social infrastructure etc.

(c) No, Sir.

(d) The Union Government supplements the efforts of the States and provides assistance in setting up infrastructure

facilities and fiscal concessions besides providing a conducive environment for industrial development.

SHRI P.C. THOMAS: Sir, the answer itself shows that 86 per cent of the investment indicated in the Letters of Intent is consolidated in ten States. It also shows that a majority or many number of States including my State, Kerala—I am sure—do not come under that 86 per cent.

So, within this 14 per cent, such number of States are to be contended. It only points to the seriousness of this aspect that industrial development has to take place in these States where industrial development has not taken place so far, especially with regard to States like Orissa, Kerala and some of the North-Eastern States. I am sure, the hon. Speaker is also interested which come under this 14 per cent only.

Sir, I would like to seek your indulgence and appeal to the hon. Minister that immediate steps should be taken to see that rest of the States, including my State, should be brought under the industrial investment sector so that the areas which are not very poor in resources, which are also very rich in some of the natural resources, develop industrially.

Now, I would like to ask the hon. Minister whether he would be pleased to take some immediate steps to see that Infrastructural development and other possible financial help could flow to the States which do not come under this 86 per cent, especially to my State Kerala so that some kind of development could be seen within the next one year.

SHRI MURASOLI MARAN: Sir, I agree with what the hon. Member has said. All along industrial dispersal and removal of regional disparities so as to create balanced regional growth has been the policy of the Government, has been the policy of the Planners and the Administrators right from the year 1947. All Industrial Policy Resolutions declare that it was their policy. But in a country of continental proportions, regional imbalances are likely to occur. But it is the duty of the Government to see that proper conditions are evolved for a balanced regional growth. But it does not mean that Kerala is a backward State. Of course, it is not a rich State like some of our North-Western States. It is, I could say, some kind of a middle income State. For example, going by the proposed investment in the IEMs and LOIs, Kerala ranks 14th and Orissa ranks 12th. Now, the emphasis is not on incentives. As the hon. Member is aware, more than the incentives, the Government believes in creating and putting in place the required infrastructure. So, keeping that objective in view, we have got several programmes. For example, there is the transport subsidy for the hilly areas, probably the State

of Kerala may not come under it; then, there is the Growth Centres Scheme and the Integrated Infrastructural Development Schemes. In all these aspects, the interest of the State of Kerala would be taken care of.

SHRI P.C. THOMAS: Sir, there has been a programme of allotting Growth Centres to many areas. I am sure, some Growth Centres have also been given to the State of Kerala. But I do not think that there has been much growth in these Growth Centres. I would like to suggest that something has to be done immediately to see that proper growth in these Growth Centres takes place so that it could fulfil the necessary objectives with which these were set up. In order to attain these objectives at an early date, something has to be done immediately. A review of the functioning of the Growth Centres is called for.

Sir, I think that the number of Growth Centres granted is very small as compared to the spirit of the answer that has been given by the hon. Minister. In the first part of his answer it was said that we are not rich in industrial development. Kerala is not rich in industrial development. Our State is in the southern-most part of the country and thus it is our legal as well as our moral right to claim that more Growth Centres should be given to the State of Kerala. So, I would like to suggest that more Growth Centres may be given to our State. The Government should rather be liberal in giving Growth Centres to the State of Kerala and most liberal while giving Growth Centres to my parliamentary constituency. We have a place called Muvattupuzha where we have a lot of Infrastructural facilities. Labour problems are almost nil, though we have communists there. It is not political.

AN HON. MEMBER: What is wrong with the communists?

SHRI P.C. THOMAS: There is nothing wrong. We have communist rule there and their own regime is responsible for so much of labour unrest, non-development of industrial sector and so on....(Interruptions)

MR. SPEAKER: Please sit down. It is enough.

...(Interruptions)

MR. SPEAKER: This is only a suggestion. I am sure the Minister has noted it down.

SHRI P.C. THOMAS: Sir, I am not accusing anybody.

MR. SPEAKER: You have given a suggestion. The Minister has noted it down. It is enough.

...(Interruptions)

SHRI P.C. THOMAS: Sir, my only question is...

MR. SPEAKER: This is not the way to run Question Hour.

You are supposed to ask questions but you are going on giving suggestions.

SHRI P.C. THOMAS: I would like to know whether a growth centre will be opened in my constituency, Muvattupuzha, and more growth centres will be granted to the State of Kerala.

SHRI MURASOLI MARAN: As per the Government plan, 71 growth centres are to be developed under the scheme during the Eighth Five Year Plan. So far, 70 Centres have been selected and announced. Two growth centres have been selected for the State of Kerala, covering five districts. If the hon. Member wishes to have more centres in Kerala, it is for the State Government to recommend. If the Kerala Government recommends it, we will consider it in the next Plan.

SHRI BHAKTA CHARAN DAS: It is very sad to note that the Minister in his reply has stated that investment-wise the States of Orissa and Kerala are not backward States. So far as the industrial investment or the rate of industrial development in Orissa is concerned, it is much below the national average despite the fact that Orissa is immensely rich in natural resources and minerals like coal, iron ore, chromite, bauxite, etc. Due to lack of adequate infrastructure and inadequate Central investment in Railways, National Highways, Ports, etc., Orissa is unable to develop industrially. The Railway route length per thousand square kilometer at all India level is 19.01 Km., in Orissa it is 12.86 Km.

MR. SPEAKER: Please ask the question.

SHRI BHAKTA CHARAN DAS: I have given my question. I am justifying it. Per thousand kilometer surface length-wise, the all India level is 269 Km., and in Orissa it is 122 Km. That is why I would like to know from the Minister the steps being taken by the Government to develop the infrastructural facilities to accelerate the industrial growth in Orissa.

Secondly, so far as investment is concerned, the investment by all India financial institutions is very low. With a population share of 400 per cent. Orissa gets hardly 1.5 per cent of the total investment.

Similarly, the credit deposit ratio of commercial banks is much lower than the national average. Unless the Banks step up lending in Orissa, the industrial backwardness will go up. When a number of industries, like steel, aluminium or power refinery projects are proposed to be set up in the State of Orissa. I would like to know whether the Central Government will help the State Government in quick clearance of FIPB, mining lease, loan applications in financing institutions and grant industrial growth centres, exports etc. I would like to know categorically as to whether the Government will help the State in this regard or not.

SHRI MURASOLI MARAN: Mr. Speaker, Sir, the hon. Member has depicted a very depressive picture of Orissa, but it is not true. You know well that they are sitting on rich deposits of natural resources. ... (*Interruptions*)...

MR. SPEAKER: You are not supposed to respond to him.

SHRI MURASOLI MARAN: The licence raj has gone. We are now in the liberalised industrial atmosphere. What is needed now is an investor friendly Government. I believe, Orissa has an investor friendly Government. In this connection, I would like to quote from what the hon. Chief Minister of Orissa has said recently. It is from *The Indian Express* of 1st September, 1996. In that, Shri Patnaik has said:

"Ambitious projects are being implemented to accelerate the pace of industrial development in the State with investment commitments of Rs. 95,000 crore."

This is a great achievement for the State, for which I compliment the hon. Chief Minister of Orissa. He has given a list of the projects that had been cleared by the Central Government which includes about Rs. 39,000 crore for steel sector, Rs. 20,000 crore for power sector, Rs. 11,000 crore for aluminium, and Rs. 12,500 crore for three major oil refineries.

We are doing our best through the FIPB. The hon. Member knows that we are clearing projects on a weekly basis. Recently also, we have cleared many projects for Orissa.

PROF. G.G. SWELL: My good friend, Shri Thomas, in the course of his supplementary has been good enough to refer also to the industrial backwardness of the North-East. I readily would accept that you do not have an industry in a place just for the sake of having an industry. That way, the North-East suffers from many disadvantages its isolation, long haulage, distance from the markets etc. So, it is difficult to set up industries there; I readily admit that. But there are certain industries which are so obviously suited to the area like the industry of tourism. What are you doing about it? Are you going to allot special funds for the development of tourism in the North-East for which it is suitable, for which it has resources and attractions that are unique in the whole country?

SHRI MURASOLI MARAN: Sir, even though, the question pertains to Orissa and Kerala...

PROF. G.G. SWELL: I asked this question because a reference has been made to the North-East.

SHRI MURASOLI MARAN: I am willing to respond to the question. The hon. Member referred to the industrial

backwardness of the North-East. We had a similar question in the previous Session which we discussed for about half an hour.

As the hon. Member knows, the North-Eastern Development Finance Corporation has become operative now. It is going to be an engine of economic activity and development in that area. Recently I have got a report saying that the Tata Consultancy Services, engaged by IDBI, have made out a business plan. They have identified 62 items as feasible in the seven States of the region. If I am permitted, I will tell the hon. House about them. The projects cover a wide area of industrial activity including textiles, cement, scrap-based steelmaking and re-rolling, glassblowing, tourism, nursing homes, tea, and food processing. All these are based on raw materials, skills and markets available in all the States of the region. It is going to give a very big boost to the North-Eastern region.

With regard to tourism, the North-East is a wonderful area for tourism and, I think, all efforts will be made in that direction through this Corporation.

SHRI G.M. BANATWALLA: Mr. Speaker, Sir, the hon. Minister has made a very welcome statement that it is the duty of the Government to see that there is a balanced regional development. It is also an accepted fact that Kerala is very poor in industrial matters as also it has a very low Central investment. Will the Government actively try to make a survey and identify the industries that can be set up easily in Kerala, try to have the infrastructure for the same, and also try to encourage the industrial investment in those sectors?

SHRI MURASOLI MARAN: To identify the areas of future industrial development is the primary duty of the State Government. I think, the Kerala Government is already at it. Recently the Minister of Industry of Kerala has announced that she would come out with an Industrial Policy Statement. For developing infrastructure, we have got several programmes. I have told you just now that there is an Infrastructure Development Corporation which has been created with a capital of Rs. 5000 crore and which has been announced by the hon. Minister of Finance in his Budget speech. Tax concession and a tax holiday have been given to promote infrastructure, to drive investment towards the destinations required.

Another thing is that recently, in the last week, the hon. Minister of Finance while answering a question has said that backwardness will be considered in terms of taluks instead of regions. That Committee has given a report. I think he has said that the Ministry of Finance is considering. On those lines, we are proceeding. (*Interruptions*)

SHRI SONTOSH MOHAN DEV: I have written on the tax holiday. (*Interruptions*) I have written to the hon. Minister ... (*Interruptions*)

MR. SPEAKER: Next chance is yours, Shri Dev.

Profit of Public Sector Units

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

Will the Minister of INDUSTRY be pleased to state:

(a) whether many Public Sector units face a slide in their profit during the current financial year;

(b) if so, the details of such Public Sector units;

(c) the reasons for the lower profits in these units; and

(d) the steps being taken to remedy the situation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Flash reports indicate that for the period April to July, 1996, out of the 49 public enterprises under the Department of Heavy Industry, the profitability position of 21 companies has improved while that of 28 companies has declined as compared to the corresponding period in the previous year.

(c) The reasons for lower profits in certain units include constraints like shortage of power, decline in demand, increased competition from imports and higher interest burden etc.

(d) Remedial steps being taken, inter-alia, include increase in marketing efforts, steps to improve order book position, restructuring and better financial management etc.

SHRI SONTOSH MOHAN DEV: Sir, the main reason why some public sector units are doing well, some are not doing well, some are going downwards, the hon. Minister has himself admitted the reasons like shortage of power, decline in demand, increased competition from imports the culprit is sitting on the left side—the higher interest burden. Now you are gradually, as a matter of policy this was also our policy—reducing the customs duty. But to reduce the customs duty, the Government should have something in mind, internal industries or the domestic industries must be in a position to have a healthy competition. In certain sectors, customs is slashed in a manner that it has become impossible for the industry to survive—as you rightly said domestically, power tariff and the rate of interest is also going up. I do not know wherefrom you got the data. I have got the data with me. Now, if you go through the 19th table showing decrease in profit, net losses by more than Rs. 20 crore in 1994-95, national fertilisers has been carrying Rs. 20 crore. Figures are there. The losses are gradually increasing.

You see, there are about ten top public sector undertakings. One of them is SAIL. There was an efficient

Minister ... (*Interruptions*) and the profit has gone by Rs. 15 crore and odd. I am asking you in view of the fact that public sector undertakings are suffering from the resource crunch. Will the hon. Finance Minister and the hon. Industry Minister in the Common Minimum Programme which they have given and we have supported it, it is promised that a portion of the disinvestment money will be ploughed back into those public sector undertakings which need money for rehabilitation, upgradation and modernisation. We have put them in your Common Minimum Programme. On that basis, we have supported you. You are not doing anything.

Take the example of IISCO. It is sick. I tried many times to get finance for it. Shri Chidambaram himself was a Member of the Committee of Group of Ministers. In that, it was said that in the Eighth Five-Year Plan, a provision would be made for IISCO. Of course, at that time, Shri Chidambaram used to say that the Government is not a nursing home. That was his concern about the public sector. Now, you have got a better chance to do something through your Common Minimum Programme.

So, I would like to know from the hon. Minister, as per CMP, whether he will consider giving financial help to those industries which can be converted into healthy ones.

Today's newspapers have also mentioned that you are going to have a fresh policy regarding Golden Handshake. I have read it in today's *Hindustan Times*. So, kindly apprise us on both these points.

SHRI MURASOLI MARAN: Sir, hon. senior Member has stated that indigenous industries should be protected. I agree with him. It is because protection is given even in the United States of America. Naturally, when our indigenous industries suffer or if they could not exist because of competition from outside, it has to be considered. There is no doubt about it. Protection has to be given for infant Indian industries.

Secondly, he said that finance should be allotted from the Disinvestment Fund for helping the sick and potentially sick industries. It has also been stated in our Common Minimum Programme that there will be a Disinvestment Commission. Disinvestment will be made through that Commission and the money recovered from that disinvestment will be used. I will read a portion from our Common Minimum Programme. It says:

"Any decision to disinvest will be taken and implemented in a transparent manner. Revenues generated from such disinvestments will be utilised in two vital areas, health and education, particularly in poorer and backward districts of the country. A part of such revenues will be earmarked to create an Investment Fund which will be used to strengthen other public sector enterprises."

He asked where the money was? This Disinvestment Commission has been set up only recently. They have not started the process. I hope definitely, the hon. Finance Minister will take note of this and will create an investment Fund which will be used for improving the operational efficiency of the public sector undertakings.

SHRI SONTOSH MOHAN DEV: Sir, our Government's perspective was to give more money to the rural sector. We took a decision that in industries where the private investment will come, we shall not ask the Central Government to spend money. It was a decision not to discourage industries but to involve private sector investment at the same time to save money for more investment in rural development and so on. When we came, it was Rs. 7,000. We increased it to Rs. 30,000. Then we wanted to increase it to Rs. 60,000. This year, when the Budget was presented by Shri Chidambaram, he made a jugglery. Actually the increase was 13.76 per cent. I have submitted the Report from my previous Department. I appreciate his difficulties. It may not be possible for him to give it in the very first year. If you go through it, there are ten top loss-making enterprises. To name a few, they are (1) Hindustan Fertilizers Limited, (2) Fertilizer Corporation of India, (3) Rashtriya Ispat Nigam, (4) Delhi Transport Corporation, (5) Heavy Engineering Limited, (6) Indian Airlines, (7) Bharat Coking Coal Limited, and (8) Cement Corporation of India Limited. During our regime, a Group of Ministers had given a recommendation that those industries which can be made viable should be made viable. We also provided for some Renewal Fund for those who want to go in for Voluntary Retirement.

In view of this, may I know whether the hon. Minister is aware of those ten industries which are not only making heavy losses but can be revived as a public sector? It is very much on the top of the agenda of the partners of the Government, like CPM and CPI.

We do not make too much of shouting on that, but our policy was to rehabilitate them. So, will the hon. Minister give priority to these top ten industries and also to those 21 industries which I have mentioned which are earning profits but are coming under this category? These are the industries which have to be given priority. What is the perception of the Government and what does the common Minimum Programme say about this? Kindly enlighten us.

SHRI MURASOLI MARAN: Sir, I agree with the hon. Member that the reform of public sector undertakings has not moved for enough and fast enough.

According to the Common Minimum Programme, we are categorising all public sector units into four categories. First comes those companies which are having comparative advantages. For that, those industries will support them to become global giants. Secondly, there are profit making and efficient public sector companies which have to be strengthened and we should see that they should not go red

and that their management should be professionalised and participation of workers in the management of these companies will be encouraged. Thirdly comes the sick and potentially viable public sector companies which have to be rehabilitated through a menu of options. I read it from the Common Minimum Programme:

"That may include handing over the management to professional groups or workers' cooperatives."

The ten loss making enterprises come under this category.

Finally we have got the last category, that is, those companies that are chronically sick and cannot be revived. We cannot be putting money in a bottomless pit. So those industries should be considered and Government should withdraw if it is a non-core and non-strategic area. It should be carefully examined by assuring the workers and employees job security or in the alternative opportunities, retaining or redeployment. This is our policy.

What our Ministry is doing is that we are creating some kind of a master plan for the units under the Ministry of Industry so that, just as charity begins at home, the reforms process should also begin from our Ministry. That is our aim. So we are evolving the concept for reviving the sick units.

Now the question is: How many sick units can we revive and what is the amount required for that? We have to create a revolving fund for reviving those industries. This programme is on and we are at it.

DR. T. SUBBARAMI REDDY: Sir, there are 240 public sector undertakings. Out of that 109 companies are incurring losses. They have incurred a loss of about Rs. 4906 crore. As Shri Sontosh Mohan Dev has said, out of these companies, ten top loss making companies, like HFL, etc. have incurred a loss of about Rs. 2449 crore and in the Indian Airlines has incurred a loss of about Rs. 188 crore. What I mean to say is that out of 109 companies, the share of ten top companies is about 49 per cent.

I would like to know from the hon. Minister, if the Government planning some concrete measures to curb these losses, particularly in the Indian Airlines when private airlines are making profits. Now we have planned privatisation, putting them in BIFR, disinvestment and planning under three or four schemes, etc. may I know from the hon. Minister how he is going to curb these losses in regard to at least these ten loss making companies?

SHRI MURASOLI MARAN: Sir, I have generally stated to the previous question that we are evolving a kind of a Master Plan to revive these sick industries. But regarding the Indian Airlines, I cannot be assuring the hon. Member because it belongs to a different administrative Ministry.

While evolving a Master Plan for the revival of sick industries, we are considering various options to make some strategic alliances such as joint ventures, financial restructuring and synergy through holding companies, strengthening of management and a Special Revolving Fund for speedy implementation of the BIFR approved schemes. We are at it.

SHRI P.R. DASMUNSI: Sir, the hon. Minister has just stated that he is considering for a comprehensive proposal and a Master Plan to revive these sick units. Is the Minister aware of the fact that several sick public sector undertaking units and public sector undertaking units which had gone to the BIFR are facing a number of sitting days in and out for an uncertain period? The BIFR itself is creating an uncertainty among the workers and the management. What will be the ray of hope of these workers and the management? Will the hon. Minister, while considering the entire package, also consider an alternative speedy disposal method? Sir, an alternative to the BIFR can be thought of to bring everything into a package instead of keeping that kind of a quasi-judicial body which is sitting over this for years together and not disposing any matter in a concrete term.

SHRI MURASOLI MARAN: Sir, I entirely agree with the hon. Member's views. We have to restructure the BIFR as a fast track facilitator and a quick arbitrator. That has been the policy of this Government. That has been exclusively stated in the Common Minimum Programme. Recently, the hon. Finance Minister, in his Budget speech, has announced that the BIFR would be revamped and the Sick Industries Unit Act would also be amended so that a quick disposal can be got for the sick units.

[Translation]

SHRI NAWAL KISHORE RAI: A National Renewal Fund has been created for reviving the sick units and is regulated through the BIFR. Just now, Shri Dasmunsi has rightly pointed out that a state of uncertainty continues. Is the Government thinking of formulating any plan for reviving these sick units within a time-frame? If we analyse the working of the National Renewal Fund during the last three years, it is revealed that inspite of the monetary provisions being made in every annual budget, the Fund is not able to utilise the entire amount. This is an anomalous position because, while on the one hand 109 units have become sick, on the other, the National Renewal Fund does not spend the full amount for which provision has been made. Will the Government, therefore, ensure that the entire amount, which itself is in fact insufficient, is utilised and is properly spent? I would also like to ask another question. The Central Government has received various proposals from different State Governments. For instance, Bihar has stated that the State Government industrial units are also sick. Do the Government propose to revive these industrial units also through this Fund even though they belong to a State? Can money be given from NRF for this purpose?

[English]

SHRI MURASOLI MARAN: Sir, I will take up the last question first. So far, there is no proposal to include sick industries of the State Governments. That is a big problem. We have to consider that aspect also.

Sir, as I have put it already, we are evolving a Master Plan which should see that sick industries are revived. But, Sir, what we are doing now is that we are waiting until an industry becomes chronically sick. We do not have an early warning system. We do not have an early stage of intervention and restructuring. With these aspects, the BIFR Act should be revamped.

Sir, the National Renewal Fund is not adequate to take care of those who have been removed from the service or who have been given the golden handshake.

That Fund, in our view, has to be revamped also. The Fund has to be increased and for that a revolving Fund should be created. That is our aim. We are creating a Plan.

Assistance for Handicrafts

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*483. DR. ARUN KUMAR SARMA:
DR. PRABIN CHANDRA SARMA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the North Eastern Handicraft Development Corporation has submitted any proposal for financial assistance for works like cane, bamboo and woodcrafts;

(b) if so, the details thereof; and

(c) the action taken by the Union Government thereon?

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

(a) to (c). A statement is laid on the Table of the House.

STATEMENT

(a) to (c). Two proposals amounting to Rs. 2.12 lakhs were received during the year 1995-96 from North Eastern Handicrafts and Handlooms Development Corporation (NEHHOC), Shillong for training in Cane & Bamboo Crafts under training scheme of the Government. However the said proposals could not be considered by the Government as the Corporation had not submitted the audited accounts for the funds released to them during 1990-91 and 1991-92 under the same scheme. Timely submission of audited accounts by an organisation receiving grants is imperative as per the Government of India financial rules. No proposal has been received as far as Wood Craft is concerned.

DR. ARUN KUMAR SARMA: Mr. Speaker, Sir, the North-Eastern Region is famous for its handloom and handicraft industries. It is not only famous in India but also abroad. We shall aim to promote this Region for the development of handicraft and handloom industries. The North Eastern Handicrafts and Handlooms Development Corporation was also formed for this purpose.

The hon. Minister in his reply has stated that there were two proposals during 1995-96 for training of the youths in this region. The amount which was provided was only one or two lakh rupees.

Now, I cannot accept the proposition the hon. Minister has stated that the amount could not be released because the audited accounts for the years 1990-91 and 1991-92 were not received from the officials of that Corporation.

I would like to know from the hon. Minister as to what action has been initiated from this end to get these audited accounts and to release the money so that the training programme does not suffer.

SHRI R.L. JALAPPA: Sir, they sent proposals in 1995-96. We have also asked them to provide the audited balance sheets for 1990-91 and 1991-92. We have written several letters also. After all, the amount is meagre. I was talking to my officers as to why they were holding this one lakh forty-five thousand of rupees or one lakh or even two lakh of rupees, as it is not a big amount. But they said that it was stipulated that unless they provide us the accounts for the previous money drawn, we cannot release them amount under this training scheme.

As far as other things are concerned, we have already allowed them to draw money. This year also we have provided Rs. 50 lakh. I request the hon. Member to see that they send the audited balance sheet early so that we could give them money within a month.

DR. ARUN KUMAR SARMA: Sir, it is already accepted by all the Members of this House that the North-Eastern Region is an industrially backward area and large industries could not be established in this region because of the communication bottleneck, the geographical isolation and because of lack of infrastructural facilities. I think, that this is the only sector where there is an ample scope to develop this sector which will create large scale employment opportunities and also it will bring a long helping hand as far as economic development of the people of North-Eastern Region is concerned.

I want to know from the hon. Minister whether any special scheme has been initiated by his Ministry to develop this sector which has also scope for establishment of export-oriented handlooms and handicrafts units in the North-Eastern Region because these handlooms and handicrafts have a great demand not only in India but also abroad for the exports.

I also want to know as to what special steps have been initiated, through his Ministry, to develop this area.

SHRI R.L. JALAPPA: There are many schemes which we have already provided to them. I quite agree with the hon. Member that it is a backward area and it requires a lot of industries to be started. When he knows that it is a backward area, it is for those Corporations to provide us the accounts for the money drawn and they can draw more and more money. We have got sufficient schemes for the improvement of that area.

DR. PRABIN CHANDRA SARMA: Mr. Speaker, Sir, I want to know from the hon. Minister, through you, whether the Ministry of Textiles is aware that the North Eastern region, particularly Assam and its adjoining States are famous for handlooms and handicrafts and that the weavers live there and more particularly Sualkuchi a place known as the Manchester of the East? I want to know whether the hon. Minister is also aware that Tripura is famous for the handicrafts of cane and bamboo. I want to know whether any specific programme had been incorporated in his Ministry for development of this cane and bamboo handicrafts in the North Eastern States and the handloom products of all the different States of the North Eastern region and whether any Government agency has been considered to export these materials to the other parts of the country and also outside the country.

SHRI R.L. JALAPPA: Sir, I am aware of whatever the hon. Member has mentioned. Inside the country we are holding several exhibitions wherein the products of this region are exhibited and a lot of business is going on. About sending them to the outside countries we are at it and a lot of exports are also taking place. I agree that whatever is being done is not sufficient. But we have already implemented a few schemes there and if they come forward with many more schemes we are prepared to oblige and we are prepared to approve those schemes.

SHRI UDDHAB BARMAN: Sir, you are aware of the beauties of the handlooms and handicrafts of that area, particularly the North Eastern region which are well known. Long back Mahatma Gandhi had also praised the weavers of Assam who had woven fairy tales in their clothes. I want to request the hon. Minister to extend more money to develop that industry of handlooms and handicrafts in that areas. I also want that the beauties of the handloom and handicraft of that area should be exposed to the entire country and also to the entire world. In this connection I want to know from the hon. Minister whether there is any decision of the Corporation to wind up the emporium at Mumbai which was established in 1981. I want to know whether the hon. Minister has received a representation from the M.Ps. regarding this and requesting not to dismantle the Centre but to re-examine that issue so that like all other States in the country the North Eastern States also get some opportunity to get this exposure to the country and the world.

SHRI R.L. JALAPPA: Sir, while arranging for exposure of these handicrafts this Corporation is holding several exhibitions. On 28th of this month also we are holding a bigger exhibition in Bangalore where we are expecting that about 500 foreigners will come there for purchase of these handicrafts and handloom clothes. In the last four years we provided them assistance. In 1992-93 we have given them Rs. 14.60 lakh; in 1993-94 it was Rs. 92.81 lakh and in 1994-95 it was Rs. 45.71 lakhs and in 1995-96 we have provided them ... *(Interruptions)*

MR. SPEAKER: His limited question is whether the Government's decision to open an emporium in Mumbai is going to be implemented.

SHRI R.L. JALAPPA: Sir, the emporium is already there. Unfortunately, it is incurring losses. Secondly, where they have set up this emporium, the landlord had demanded too much of rent which they could not pay. The emporium which was in a bigger building is now in a building which is concise. They have established the emporium in a smaller area. They cannot carry on the business there also. That is why the Board has taken a decision to close down the emporium in Mumbai.

MR. SPEAKER: Shri Pilot, you wanted to ask question.

SHRI RAJESH PILOT: I have no question.

SHRI PABAN SINGH GHATOWAR: Mr. Speaker Sir, I am very unhappy with the reply of the hon. Minister that they have taken a decision to close down the unit in Mumbai. The very creation of the North-East Handicraft Corporation was the genuine demand of the people from the seven States and that the artisans who are working in the handloom and handicraft sector are appreciated all over the country and even outside. This is the only agency who can encourage those artisans and weavers. Since they have no other means of subsistence than the popularity of those schemes, this Corporation was created. Now in the reply, the hon. Minister has said that for two years they have not given the accounts. For that reason, they have not sanctioned an amount of Rs. two lakh.

It is a Corporation of the Central Government and it is the responsibility of the Central Government to look whether that Corporation is performing properly or not. Sir, it is a very sentimental issue. The other emporia are working and only the North-Eastern section of the emporium the Government is deciding, on the plea of its incurring losses, to close down. That will greatly hurt the sentiments of the artisans and weavers of the North-Eastern region.

May I request the hon. Minister to reconsider his decision and see that that unit properly functions? They should give responsibility to some responsible officer to look into the affairs of this Corporation so that the hopes and aspirations of the weavers and artisans of the North-Eastern region will get proper attention.

SHRI R.L. JALAPPA: Sir, I will ask my officers to go to Mumbai and find out whether we should continue that branch of the emporium... *(Interruptions)*. I have already assured the hon. Member that this amount of Rs. two lakh will be released and they must take the responsibility of sending audited reports for those two years... *(Interruptions)*. When they do not forward the accounts, do they expect our officers to go from here to Shillong and get the accounts? They have to submit the accounts.

SHRI SONTOSH MOHAN DEV: Sir, when you were Minister of State for Industries and we were MPs, we in a Committee visited all these areas this is the outcome of this including Rehsums and others. There are so many public sector undertakings not complying with the loan taken from Shri Chidambaram's Finance Ministry. I do not think my good friend Shri Rajesh Pilot is wrong. With regard to Hindustan Fertilizers, there is a loss of Rs. 133 crores. There is no trace of it and the Government has not done anything. Here, for Rs. two lakh, you close down the emporium ... *(Interruptions)*. You kindly see that this is immediately opened. The order must go today. *(Interruptions)*.

MR. SPEAKER: I think he has answered that.

Smuggling of Gold

486. SHRI DINSHA PATEL:
SHRI SATYAJITSINH DULIPSINH
GAEKWAD:

Will the Minister of FINANCE be pleased to state:

(a) the number of cases of smuggling of gold detected during each of the last two years;

(b) the number of cases in which the officials posted at airports have been found involved in abetting such activity; and

(c) the number of officials prosecuted in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). A Statement is laid on the Table of the House.

STATEMENT

(a) to (c). The number of cases of smuggling of gold detected 'during each of the last two years are as follows:-

	No. of cases
1994-95	632
1995-96	702

During the same period, one officer of the customs department posted at Indira Gandhi International Airport,

Delhi, was suspected to be involved in smuggling of gold. Disciplinary proceedings against the officer are contemplated in consultation with Central Vigilance Commission. However a show cause notice has been issued to the officer under the Customs Act, 1962. As regards prosecution, a decision can be taken after conclusion of departmental adjudication which is currently in progress.

[Translation]

SHRI DINSHA PATEL: Mr. Speaker, Sir, the statement shows that there were 632 cases in 1994-95 and 702 in 1995-96. I would like to know from the hon. Minister the quantity of gold seized and the value thereof as also the amount of fine realised from those arrested.

[English]

SHRI P. CHIDAMBARAM: Sir, in 1994-95 the number of cases registered was 632, the quantity of the gold seized was 1,086 kgs., the value of the gold seized was Rs. 55.43 crore, 265 persons were arrested, 209 have been prosecuted and 59 have been detained under COFEPOSA Act. In 1995-96, 702 cases were registered, 1,052 kgs. of gold worth Rs. 54.17 crore was seized, 301 persons were arrested, 229 have been prosecuted and 64 have been detained under COFEPOSA Act.

[Translation]

SHRI DINSHA PATEL: An officer posted at the Indira Gandhi International Airport was suspected of involvement in gold smuggling. According to the reply, he was served a notice two years back. I want to know what happened to it. A big quantity of gold was smuggled by one officer alone. I would like to ask the Hon. Minister what reply was received to the notice issued under the 1962 Act and what action was taken against that officer... (Interruptions)

[English]

SHRI RAJESH PILOT: Sir, the moment smuggling is discussed, the BJP is coming inside.

SHRI P. CHIDAMBARAM: Sir, he should be happy that it is smuggling of gold.

Sir, an officer of the rank of Superintendent in Central Excise and Customs was *prima facie* found involved in abetment of smuggling of gold at the Indira Gandhi International Airport on the night of 19th-20th of August, 1995. A statement by the passenger has been recorded and of another person who was waiting outside the Customs Hall. He identified the Superintendent of Central Excise. A slip of paper was also recovered. Disciplinary action is being contemplated against the officer under the Conduct Rules. The case has been referred to the Central Vigilance Commission for first stage advice. Simultaneously a show cause Notice under the Customs Act has also been issued.

As soon as we receive the first stage advice from the Central Vigilance Commission, further disciplinary proceedings will be taken.

SHRI RAJESH PILOT: Mr. Speaker, Sir, the hon. Minister may consider the speech made by the Revenue Secretary in the DGs' Conference a year back to the effect that about Rs. 40,000 to Rs. 50,000 crore is in the pipeline through smuggling, narcotics, *havala* and different other rackets. This was the speech given by the Revenue Secretary at that time to the DGs' Conference. At that time, the response from the DGs was that not many teeth were there in the law. We initiated action to bring a more teething edge to the law. It is in the process. This is one of the diseases which poses a threat to the internal security of the nation and all other things are born out of this. What action does the Government propose to take in this direction because this is one of the important sectors where the Government must pay its attention?

12.00 hrs.

SHRI P. CHIDAMBARAM: Sir, we are talking about gold. There is a great appetite for gold in this country. If you try to prevent it completely, it will be smuggled. That is why the previous Government and I think rightly allowed the import of gold through legitimate sources, that is NRIs returning and one through the EFC account. Now, large amount of gold comes through legitimate channels and also earns revenue for the Government. For example, in the last year, 1995-96, 218 tonnes of gold came to the country through legitimate channels. Yet Intelligence shows that the appetite for gold, the demand for gold in this country is about 450 to 500 tonnes. As long as that appetite is there and all you have to do is, go back home and ask why this appetite is there the gold will be smuggled into the country. Even the poorest people somehow find a need to buy some gold. I think, over a period of time we should liberalise this policy. But at the moment, this is the policy.

WRITTEN ANSWERS TO QUESTIONS

Losses to Indian Bank

*484. KUMARI SUSHILA TIRIYA:
SHRI GEORGE FERNANDES:

Will the Minister of FINANCE be pleased to state:

(a) whether Indian Bank has reported a loss of thousands crores of rupees during 1995-96?

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

(c) whether any inquiry has been conducted in the matter?

(d) if so, the outcome thereof and the action taken thereon;

(e) whether this is highest loss ever suffered by a commercial bank in the history of Indian banking; and

(f) the preventive steps taken or proposed to be taken in regard thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Indian Bank have reported a loss of Rs. 1336.40/- crores in 1995-96.

(b) These losses are mainly on account of provisioning for loan losses for 1995-96 and additional provisioning on account of short provisioning in earlier years based on the income recognition and asset classification of advances apart from funding losses. The funding losses are on account of large expansion of credit being funded by certificates of deposits whose cost exceeded the earnings on their deployment.

(c) to (d) & (f). A strategy is being devised for the revival of Indian Bank. At the instance of Reserve Bank of India the Indian Bank has appointed Investment Information and Credit Rating Agency of India (ICRA), a leading firm of consultants for suggesting a strategy for turn around. The Bank has also set up a Management Council to oversee its operations in all areas, an Investment Committee and a Committee of General Managers to closely monitor its large Non-Performing Assets and the recovery of funds.

(e) The losses suffered by Indian Bank are the highest suffered by any public sector bank.

Bogus Stock Invest

*485. SHRI ANANTH KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Securities and Exchange Board of India (SEBI) has recently busted a racket involving use of bogus stock invests while subscribing to public issues;

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

(c) the action taken or proposed to be taken against persons involved in the racket; and

(d) the steps taken or proposed to be taken to check recurrence of such cases?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) SEBI has identified 9 cases of public issues by Companies based in Ahmedabad and Indore where the issues have reportedly been subscribed through Fake/ Bogus Stockinvests.

(b) Company-wise and bank-wise details are given in the attached Statement.

(c) and (d). SEBI has taken the following steps :

- (i) Show-cause notices have been issued to the issuers for refund of the subscription amount to the public;
- (ii) The Stock Exchanges concerned have been advised to lodge complaints with the police;
- (iii) Stock Exchanges have been advised to exercise caution at the time of finalisation of the basis of allotment.
- (iv) The Reserve Bank of India has also been requested to take up inspection of the banks concerned.

STATEMENT

		Stock Invest Claimed to be issued by*					
Sl. No.	Name of the Issue	Date of Opening	Vijay Bank Nasik Branch		Federal Bank Nasik Branch		Total Amount
			No.	Amt. (Rs. Lacs)	No.	Amt. (Rs. Lacs)	(Rs. Lacs)
1.	Trendline Finance Limited, Ahmedabad	20/5/96	1850	180.00	-	-	180.00
2.	Prachi Leasing & Finance Limited, Ahmedabad	13/5/96	2499	124.95	93	498.20	623.15
3.	Harihar Chemicals Ltd., Ahmedabad	26/6/96	1038	62.95	-	-	62.95
4.	Swarshilp Properties Ltd., Ahmedabad	9/7/96	55	56.05	-	-	56.05

		Stock Invest Claimed to be issued by*					
Sl. No.	Name of the Issue	Date of Opening	Vijay Bank Nasik Branch		Federal Bank Nasik Branch		Total Amount
			No.	Amt. (Rs. Lacs)	No.	Amt. (Rs. Lacs)	(Rs. Lacs)
5.	ELL Fashions Ltd., Ahmedabad	9/5/96	33	52.85	42	75.00	127.85
6.	Dwarkesh Finance Limited, Ahmedabad	12/4/96	1798	90.45	-	-	90.45
7.	Venus Floriculture Ltd., Ahmedabad	25/7/96	3491	34.91	24	24.00	58.91
8.	Delicious Investment & Finance Ltd., Indore	12/6/96	1017	65.00	-	-	65.00
9.	Vikas Spinning & Weaving Mills Limited, Indore	11/6/96	1794	89.70	-	-	89.70
			13575	756.86	159	597.20	1354.06

* The Vijaya Bank, Nasik Branch and Federal Bank, Nasik Branch have conformed that they have not issued any Stock Invests for these issues.

Export of Handloom and Handicrafts

*487. SHRI MANIKRAO HODLYA GAVIT :
SHRI PARASRAM BHARDWAJ :

India to exporters for export of handloom cloth and handicrafts.

(b) to (e). Do not arise.

Will the Minister of TEXTILES be pleased to state :

India's Share in Global Leather Trade

(a) whether the Government provide grants to the exporters for the export of handloom cloth and handicrafts;

*488. SHRI KRISHAN LAL SHARMA : Will the Minister of COMMERCE be pleased to state :

(b) if so, the total amount of the grant given during the last three years together with the number of exporters who received such grants;

(a) whether India's share in Global leather trade is only 3.5%;

(b) if so, the reasons for low percentage thereof;

(c) whether some cases of bogus agencies which have received such grants have come to the notice of the Government;

(c) whether the Government have fixed any target to increase its share in Global market by 2000 A.D.; and

(d) if so, the details thereof; and

(d) if so, the details thereof and the steps being taken to achieve the target?

(e) the action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) India's share in the global trade of leather and leather products was

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) :
(a) No grant as such is being given by the Government of

4.34% during the year 1994 according to statistics published by ITC, Geneva.

(b) Tardy growth of value added leather products and intense competition from China, Korea, Taiwan and Indonesia have constrained our share in global trade. However, with increased resort to value addition in export products from late 1980s and improved production and product competitiveness, India's global share has registered an increase. During 1994-95 the export of value added leather products constituted more than 75% of the total exports as against only 39% in 1984-85.

(c) The Working Group of leather and leather goods industry for the 9th Five Year Plan has projected exports from leather sector at US\$ 3.2 billion in the year 1999-2000 which would account for about 7% of the global trade in the items.

(d) Government has taken a number of steps to promote exports of leather and leather products. These include the following :-

- The National Leather Development Programme for integrated development of the industry
- identification of leather footwear as an extreme focus item capable of achieving higher export growth
- Launching of the leather technology mission for sustainable development
- Establishing computer aided design centres
- Setting up of Footwear Design and Development Institute
- Banning export of semi-finished leather, raw hides and skins
- Setting up of market research unit in the Council for Leather Exports for disseminating information on fashion trends and statistics.

Jute Purchasing Centres of Jute Corporation of India

*489. SHRI AMAR ROY PRADHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government have received any request for opening of new purchase centres of Jute Corporation of India in West Bengal;

(b) if so, the details thereof;

(c) the action taken by the Union Government thereon; and

(d) the time by which these centres are likely to be opened?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):
(a) No, Sir no request has been received in 1996-97.

(b) to (d). Do not arise.

[Translation]

Thefts/Robbery in Banks in Gujarat

*490. SHRI CHHITUBHAI GAMIT: Will the Minister of FINANCE be pleased to state:

(a) the details of incidents of thefts and robbery which took place in each of the Nationalised Banks in the country, state-wise with particular reference to Gujarat during the period 1992-93 to 1995-96, year-wise;

(b) the amount of cash stolen or looted in each of the incidents;

(c) the number of persons arrested therein and whether some bank employees are also found involved in it;

(d) if so, the details thereof; and

(e) the legal action taken or proposed to be taken in regard thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e). Information readily available relating to bank-wise and state-wise position of number of incidents of dacoities/robberies during 1992 to 1996 (Upto March) and amount involved therein as reported by nationalised banks to Reserve Bank of India (RBI) is furnished in the attached statement.

RBI have indicated that all cases of robberies and dacoities were reported by the banks to the local police for necessary action. Sixty four persons including one employee of bank were arrested for involvement in these cases.

STATEMENT

State-wise and bank-wise number of robberies/dacoities & amount involved therein in nationalised banks during the period 1992 to 1996 (March)

(Rs. in Lakhs)

Name of bank	1992		1993		1994		1995		1996 (up to March)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)
Andhra Pradesh										
Andhra Bank	01	9.45	-	-	01	2.60	01 (#)	11.64	-	-
Canara Bank	-	-	-	-	01	0.01627	-	-	-	-
Punjab National Bank	01	1.25	-	-	-	-	01	2.18	-	-
Assam										
Allahabad Bank	-	-	01	1.58	-	-	02	0.63	-	-
Canara Bank	-	-	-	-	-	-	01	0.40	-	-
Central Bank of India	-	-	02	0.70	01	0.44	01	0.44	-	-
Indian Bank	-	-	-	-	01	1.00	02	3.07	-	-
Indian Overseas Bank	-	-	-	-	01	0.38	-	-	-	-
Punjab National Bank	01	1.00	-	-	-	-	-	-	-	-
UCO Bank	01	0.18	03	94.33	02	12.76	02	3.92	-	-
United Bank of India	-	-	-	-	02	2.84	01	4.79	-	-
Bihar										
Allahabad Bank	03	0.68	04	6.06	03	2.91	01	5.00	-	-
Bank of Baroda	-	-	01	2.00	-	-	-	-	-	-
Bank of India	11	23.33	07	8.62	08	6.89	06	8.24	03	1.27
Canara Bank	01	6.06	02	4.05	03	1.55	02	2.24	-	-
Central Bank of India	03	0.83	01	0.24	01	0.13	01	0.31	-	-
Indian Overseas Bank	-	-	01	0.71	01	0.40	-	-	-	-
Punjab National Bank	08	6.62	07	10.95	13	14.45	10	21.5	01	0.12
Syndicate Bank	-	-	-	-	-	-	01	2.58	-	-

(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)
UCO Bank	04	2.44	05	15.63	04	11.62	03	7.29	01	3.00
Union Bank of India	-	-	02	1.53	01	2.40	01	0.50	-	-
United Bank of India	02	9.97	03	5.32	03	2.38	02	7.42	-	-
Vijaya Bank	01	40.00	-	-	-	-	-	-	-	-
Delhi										
Allahabad Bank	-	-	-	-	01	0.50	-	-	-	-
Punjab & Sind Bank	-	-	02	49.60	-	-	-	-	-	-
Syndicate Bank	-	-	-	-	-	-	01	1.00	-	-
Gujarat										
Bank of India	-	-	-	-	-	-	01	4.50	-	-
Central Bank of India	-	-	-	-	01	(*)792.14	-	-	-	-
Punjab National Bank	-	-	01	0.03	-	-	-	-	-	-
Haryana										
Punjab National Bank	-	-	-	-	03	3.43	-	-	-	-
Jammu & Kashmir										
New Bank of India	01	13.00	-	-	-	-	-	-	-	-
Punjab National Bank	01	0.86	01	1.37	-	-	-	-	-	-
Karnataka										
Punjab National Bank	-	-	-	-	-	-	01	7.29	-	-
United Bank of India	01	0.36	-	-	-	-	-	-	-	-
Vijaya Bank	01	(+)13.88	-	-	01	0.57	01	0.58	-	-
Madhya Pradesh										
Central Bank of India	01	0.38	-	-	-	-	-	-	-	-
Maharashtra										
Bank of India	-	-	-	-	-	-	01	66.22	-	-
Corporation Bank	-	-	-	-	-	-	-	-	01	10.00
Syndicate Bank	-	-	01	2.06	01	2.00	-	-	-	-

(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)
Union Bank of India	-	-	-	-	01	0.10	01	0.18	-	-
United Bank of India	-	-	-	-	01	5.00	-	-	-	-
Manipur										
United Bank of India	-	-	-	-	-	-	01	11.19	-	-
Vijaya Bank	-	-	-	-	01	0.52	-	-	-	-
Meghalaya										
Central Bank of India	01	0.81	-	-	-	-	-	-	-	-
Punjab National Bank	-	-	02	1.55	-	-	-	-	-	-
Nagaland										
Allahabad Bank	01	1.50	-	-	01	2.50	-	-	-	-
UCO Bank	01	2.34	-	-	-	-	01	6.63	-	-
Orissa										
Central Bank of India	-	-	01	2.50	-	-	-	-	-	-
Indian Overseas Bank	-	-	-	-	-	-	01	0.22	-	-
UCO Bank	02	2.19	-	-	-	-	-	-	-	-
Union Bank of India	-	-	-	-	-	-	01	0.95	-	-
Punjab										
Oriental Bank of Commerce	01	0.00178	-	-	-	-	-	-	-	-
Punjab & Sind Bank	-	-	-	-	01	0.52	-	-	-	-
UCO Bank	01	2.13	-	-	-	-	-	-	-	-
Union Bank of India	-	-	-	-	-	-	01	0.35	-	-
Rajasthan										
Punjab National Bank	-	-	01	0.17	-	-	-	-	-	-
Tamil Nadu										
Indian Overseas Bank	-	-	-	-	-	-	01	1.65	-	-
Tripura										
Central Bank of India	-	-	01	0.06	-	-	-	-	-	-
United Bank of India	01	0.47	-	-	01	1.15	01	32.00	-	-

(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)
Uttar Pradesh										
Allahabad Bank	-	-	01	0.45	02	1.56	-	-	-	-
Bank of India	-	-	01	1.79	02	2.00	01	2.92	-	-
Canara Bank	01	0.17	01	14.23	-	-	-	-	01	0.09
Central Bank of India	-	-	01	1.57	01	1.00	-	-	-	-
Indian Overseas Bank	-	-	-	-	-	-	01	4.00	-	-
Oriental Bank of Commerce	-	-	-	-	01	0.75	-	-	-	-
Punjab National Bank	01	8.82	02	3.15	04	5.16	03	3.19	-	-
Syndicate Bank	-	-	03	1.26	01	0.50	01	0.20	-	-
Union Bank of India	01	2.23	04	7.40	08	9.11	03	12.28	01	16.30
West Bengal										
Allahabad Bank	02	1.63	-	-	01	3.73	02	3.88	-	-
Bank of India	-	-	-	-	01	3.32	01	0.25	-	-
Canara Bank	-	-	-	-	-	-	01	1.68	-	-
Central Bank of India	-	-	-	-	-	-	01	0.13	-	-
Indian Overseas Bank	02	13.54	-	-	-	-	-	-	-	-
Punjab National Bank	01	0.66	-	-	-	-	01	1.68	-	-
Syndicate Bank	-	-	-	-	-	-	01	1.75	-	-
UCO Bank	-	-	-	-	-	-	01	7.57	-	-
Union Bank of India	-	-	-	-	01	0.97	-	-	-	-
United Bank of India	06	12.92	01	3.19	02	3.73	01	2.50	-	-
Vijaya Bank	01	2.38	-	-	-	-	-	-	-	-

(Data Provisional)

- including gold worth Rs. 8.76 lakhs

(*) - Value of clearing instruments

@ - including jewellery worth Rs. 0.49 lakhs

+ - including gold worth rs. 13.02 lakhs.

*[English]***Tax on Banks/F. Is.**

*491. DR. RAMKRISHNA KUSMARIA: Will the Minister of FINANCE be pleased to state:-

(a) the outstanding amount of income tax against each of Public Sector Banks and Financial Institutions as on March 31, 1996;

(b) the reasons for accumulation of arrears against the above banks and financial institutions; and

(c) the steps taken so far and proposed to be taken to realise the outstanding amount of income-tax?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The Public Sector Banks and Financial Institutions against whom Income-tax demand exceeding rupees one crore remained outstanding as on 31.3.1996, are as under:-

Public Sector Banks

Sl. No.	Name of the Public Sector Bank	Amount outstanding as on 31.3.1996 (Rs. in crores)
1.	Oriental Bank of Commerce	24.82
2.	Punjab National bank	289.36
3.	Punjab & Sind Bank	6.43
4.	State Bank of Travancore	21.27
5.	New Bank of India	6.44
6.	Bank of India	65.06
7.	Dena Bank	16.30
8.	Union Bank of India	23.09
9.	Syndicate Bank	32.30
10.	State Bank of Mysore	12.01
11.	Canara Bank	43.37
12.	Vijaya bank	22.79
13.	United Bank of India	171.49
14.	UCO Bank	35.50
15.	Allahabad Bank	14.46
16.	State Bank of Bikaner & Jaipur	14.15
17.	State Bank of Saurashtra	21.00

Financial Institutions

Sl. No.	Name of the Financial Institution	Amount outstanding as on 31.3.1996 (Rs. in crores)
1.	M/s. I.F.C.I. Ltd.	8.46
2.	M/s. I.C.I.C.I. Ltd.	73.81
3.	M/s. L.I.C. of India Ltd.	10.70
4.	M/s. New India Assurance Co.	6.16
5.	M/s. S.C.I.C.I. Ltd.	11.33
6.	M/s. I.D.C. of Orissa Ltd.	6.44
7.	M/s. West Bengal Industrial Development Corpn. Ltd.	7.97
8.	M/s. Kerala State Industrial Development Corpn. Ltd.	2.40
9.	M/s. Karnataka State Industrial Investment & Development Corporation Ltd.	16.31
10.	M/s. Tamil Nadu Industrial Investment Corpn. Ltd.	5.40
11.	M/s. Maharashtra Small Scale Industries Ltd.	2.01
12.	M/s. Punjab State Industrial Development Corporation	1.80
13.	M/s. Rajasthan Finance Corporation	2.55
14.	M/s. Bihar State Credit & Investment Corporation Ltd.	7.20
15.	M/s. Bihar State Financial Corporation	4.91

(b) The arrears pertain to cases which have been disputed at various stages of appeal, and in most cases recovery process has been stayed. Since the disposal of such appeals take considerable time, arrears accumulate with completion of subsequent assessments on similar grounds. In the remaining cases, assessments were completed in the month of March, 1996 and consequently demands raised had not fallen due for payment/collection.

(c) Recovery of arrears is an ongoing process. Steps taken for recovery of arrears include issue of show-cause notices and attachment of movable & immovable assets. Where recovery is stayed by Appellate Authorities, steps are

taken to get these vacated. Recovery of arrears, especially in the bigger cases, is closely monitored at all levels.

ADB Loan to Gujarat

*492. DR. A.K. PATEL :
SHRIMATI BHAVNABEN DEVRAJ BHAI
CHIKHALIA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Asian Development Bank has evinced interest in extending loan to the State of Gujarat;

(b) if so, the details thereof; and

(c) the sectors in which this loan is likely to be utilised sectorwise?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). For the present, Asian Development Bank has evinced interest in extending possible loan assistance for the "Gujarat Public Sector Resource Management Programme". The details, including the loan amount will be known after the negotiations are finalised and the agreement is signed.

ADB have agreed in principle to extend Technical Assistance to Government of Gujarat for undertaking studies in the following areas viz., Gujarat Public Sector Resource Management., Gujarat Industrial Investment Corporation., Gujarat State Power Sector.

[Translation]

Investment in Maharashtra from Bank Deposits

*493. SHRI NAMDEO DIWATHE :
PROF. RASA SINGH RAWAT :

Will the Minister of FINANCE be pleased to state :

(a) whether eighteen per cent of the money deposited in nationalised banks in Maharashtra is invested in the State while the Thirty two per cent is invested on projects of national level;

(b) the detailed position in regard thereto, State-wise; and

(c) the steps being taken or proposed to be taken in order to bring Maharashtra and other States at par with the national level and to improve the situation in the country as a whole?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). The Reserve Bank of India has

reported that as on 31.3.1996, the outstanding deposits of nationalised banks in Maharashtra were Rs. 44,014 crores and the advances stood at Rs. 34,384 crores, yielding a Credit Deposit Ratio (CDR) of 78.1 percent as compared to 54.2 percent at the all-India level. The CDR in a particular State or region depends not only on the efforts made by the banks but various other factors including the credit absorption capacity, infrastructural support and overall policy framework in the State. The State-wise details is given in the attached Statement.

The Reserve Bank of India had set up Task Forces to ascertain the reasons for low CD ratio in Bihar, Uttar Pradesh, West Bengal, Rajasthan, Kerala and Pondicherry. The Task Forces of all the States have already submitted their reports which have been discussed in the respective State Level Bankers Committees (SLBCs) for implementation of the recommendations. In order to improve the credit absorption capacity, the Task Forces, in general, stressed the need for improving infrastructural facilities, consolidation of land holdings, development of markets, early detection and rehabilitation of sick industrial units, land development, promotion of small scale industries, financing of minor irrigation schemes and allied activities. In respect of States/Union Territories where CD ratio was low and at the same time, specific Task Forces were not constituted, the convenor banks of SLBCs were advised to convene special meetings to discuss and take the appropriate steps to improve the position.

STATEMENT

Credit-Deposit Ratio for Nationalised Banks as at the end of March, 1996

State/Union Territory	Credit:Deposit Ratio (%)
Haryana	42.0
Himachal Pradesh	25.6
Jammu & Kashmir	23.4
Punjab	39.9
Rajasthan	48.9
Chandigarh	44.5
Delhi	50.0
Arunachal Pradesh	16.5
Assam	41.3
Manipur	73.9

State/Union Territory	Credit:Deposit Ratio (%)
Meghalaya	13.7
Mizoram	17.7
Nagaland	25.7
Tripura	38.2
Bihar	28.9
Orissa	51.0
Sikkim	14.0
West Bengal	47.5
Andaman & Nicobar Islands	19.1
Madhya Pradesh	49.9
Uttar Pradesh	32.1
Goa	25.6
Gujarat	46.4
Maharashtra	78.1
Dadra & Nagar Haveli	22.0
Daman & Diu	22.3
Andhra Pradesh	75.0
Karnataka	60.6
Kerala	40.0
Tamil Nadu	85.1
Lakshadweep	9.6
Pondicherry	44.3
All India	54.2

Import of Coal

*494. SHRI SHIVRAJ SINGH :
SHRI RAMASHRAY PRASAD SINGH :

Will the Minister of COAL be pleased to state :

(a) the estimated high grade Coal reserves in the country as on date, State-wise and mine-wise;

(b) the Coal excavated during the last three years, State-wise and mine-wise;

(c) the quantum of high grade Coal imported during the last three years and the amount of foreign exchange spent thereon;

(d) the reasons for importing Coal inspite of the fact that high grade Coal deposit is available in abundance in the country; and

(e) the steps taken or proposed to be taken in future to reduce the import of Coal in future?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). State-wise information relating to high grade coal reserves and of coal production are being given hereafter; furnishing of this data mine-wise in respect of over 600 mines in the country would be voluminous and has not been found practicable :-

(i) According to the Geological Survey of India (GSI), as on 1.1.1996, the total reserves of high grade non-coking coal (Grades A, B & C) and of coking coal in the country have been assessed at 24677.05 and 29812.39 million tonnes, respectively. The details of such reserves in each State are given below :

State	(in million tonnes)	
	Reserves of Coal	
	(Proved and indicated)	
	Superior Grade non-coking coal (Grade A+B+C)	Coking Coal
West Bengal	10929.45	1380.57
Bihar	2251.23	26493.71
Madhya Pradesh	6930.71	1938.11
Maharashtra	749.04	-
Orissa	1120.97	-
Andhra Pradesh	2695.65	-
Total	24677.05	29812.39

(ii) State-wise coal production during the last three years is given below :

(in million tonnes)

State	1993-94	1994-95	1995-96
Andhra Pradesh	25.21	25.65	26.77
Assam	1.20	1.19	0.82
Bihar	73.27	72.41	74.53
Madhya Pradesh	72.86	75.12	79.76
Maharashtra	20.45	21.00	22.82
Orissa	24.30	27.32	32.70
Uttar Pradesh	12.14	13.70	14.80
West Bengal	16.61	17.34	17.93
Total	246.04	253.73	270.13

(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 was as follows :-

(Data provisional)

Year	Quantity (in million tonnes)	Value (in Rs. Crores)
1993-94	7.51	1463.30
1994-95	11.39	2224.21
1995-96	13.23	3010.70

(d) While steel plants are importing low ash coking coal mainly to bridge the gap between demand and supply and to improve the quality of overall blend for technological reasons, others are generally importing either low ash coking coal or special types of coals like anthracite. Soem cement plants and power houses located near the ports are also importing non-coking coal.

(e) Steps are underway to augment indigenous production of coking coal as well as non-coking coals to the extent practicable. These 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) The capital base of Coal India Limited has been restructured to enable it to raise from the capital market additional financial resources which are required to finance new coal production projects;
- (iii) Coordination on continuous basis with the Railways is maintained to remove transportation bottlenecks in such coalfields areas which have potential for enhanced production;
- (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 their own use. This is expected to increase domestic coal production;
- (v) Modification of existing washeries as well as construction of new washeries are being taken up to increase the availability of washed coking coal.

Coal in Maharashtra

*495. SHRI DATTA MEGHE : Will the Minister of COAL be pleased to state :

(a) the quantum of coal produced in the coal mines of Maharashtra during each of the last two years;

(b) the amount of royalty paid on Coal to the Government of Maharashtra during the said period,

(c) whether the Government propose to set up any Coal based industry in the State; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Coal production from the coal mines located in Maharashtra in the last two years was as under :

Year	(million tonnes)
1994-95	21.00
1995-96	22.82

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

Year	(Rs. Crores)
1994-95	159.70
1995-96	217.90

(c) No, Sir.

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

Closed Coal Mines

*496. SHRI NAWAL KISHORE RAI :
SHRI BASUDEB ACHARIA :

Will the Minister of COAL be pleased to state :

(a) whether there are many coal mines in the country in public sector which are lying closed;

(b) if so, the number of coal mines closed down during the last three years till date, State-wise;

(c) the reasons for the closure of these mines and impact of the closure on production of coal;

(d) whether the Union Government has decided recently to hand over these mines to the State Government and start production in them;

(e) if so, the names of the States to which these closed mines are likely to be handed over in the first phase; and

(f) the time by which the said decision is likely to be implemented?

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

(b) According to information furnished by Coal India Limited (CIL) and Singareni Collieries Company Ltd. (SCCL), the State-wise details of mines closed down by CIL and SCCL during the years 1993-96 and till August in 1996-97 are as under:

State	CIL	SCCL
West Bengal	8	-
Bihar	9	-
Madhya Pradesh	8	-
Maharashtra	2	-
Total	27	-
Andhra Pradesh	-	4
Grand Total	31 Mines	

(c) The coal mines were closed on grounds of exhaustion of reserves, inundation safety as well as adverse economic and techno-economic conditions. There has been no significant negative impact of the closure on coal production.

(d) No decision has been taken to handover any of the mines closed by CIL & SCCL during the aforesaid period.

(e) and (f). Do not arise in view of (d) above.

Sale of Subsidised Cotton Yarn

*497. SHRIMATI SUSHMA SWARAJ :
JUSTICE GUMAN MAL LODHA :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government provide subsidised cotton yarn to handloom weavers in the Country through State Handloom Development Corporation;

(b) if not, the other arrangements made to provide this yarn to handloom weavers;

(c) whether complaints have been received regarding sale of subsidised yarn to powerloom sector instead of handloom sector;

(d) if so, the number of such complaints received during the last three years; and

(e) the steps taken by the Government to ensure that the benefit of subsidised cotton yarn must reach to the handloom weavers?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b). During the year 1994-95, the Government of India announced the Hank Yarn Price Subsidy Scheme for supply of 20 million kgs. of Cotton Hank Yarn to the handloom weaver at a subsidy of Rs. 15/- per Kg. The scheme was implemented through the Handloom Apex/Regional/Primary Cooperative Societies; State Handloom Development Corporations and National Handloom Development Corporation (NHDC). This scheme was extended for the year 1995-96 also with a target of 20 million kgs., however, with an enhanced rate of subsidy of Rs. 20/- per kg. The Government of India has also been operating the Mill Gate Price Scheme for supply of Cotton Yarn to the handloom weavers at Mill Gate Prices through National Handloom Development Corporation.

(c) and (d). Government has not received any complaint regarding sale of this subsidised yarn to powerloom sector.

(e) By making available subsidised cotton yarn in adequate quantity, through various Handloom agencies, and strict monitoring over the price situation, the Government has

ensured that the benefits of subsidised cotton yarn reaches the handloom weavers.

[English]

Purchase of Cotton by CCI

*498. SHRI SHANTILAL PURSOTAMDAS PATEL :
SHRI SANAT MEHTA :

Will the Minister of TEXTILES be pleased to state :

(a) the total purchase made by Cotton Corporation of India from various cotton-growing States during the current year; and

(b) the total quantity of cotton exported by Cotton Corporation of India against the purchase made during the past three years?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) :
(a) Statewise purchases of cotton by CCI from various cotton growing States in the current year i.e. 1995-96 (Sept.-Aug.) have been as under :

States	(As on 19.8.96) Qty. Purchased (in bales of 170 kg. each)
Punjab	1,22,388
Haryana	72,783
Rajasthan	1,22,958
Gujarat	2,31,730
Madhya Pradesh	2,23,653
Andhra Pradesh	2,11,291
Karnataka	23,715
Tamil Nadu	2,013
Others	5,424
Total	10,15,955

(b) Total export and purchase of cotton by CCI during the last three years are as under .

Year	Qty. Purchased (in lakh bales of 170 kg. each)	Qty. Exported (in lakh bales of 170 kg. each)
1992-93	11.86	6.06
1993-94	7.76*	1.46
1994-95	8.43	0.085

Excludes 65,300 Bales purchased from Maharashtra State Co-op. Cotton Growers Mktg. for production of Hank Yarn for distribution among Handloom Weavers

Foreign Borrowings

*499. SHRI UTTAM SINGH PAWAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to fix any limit of the amount of borrowings by Union Government from foreign countries/institutions;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). At present there is no proposal under consideration of the Government for fixing any limit of the amount of borrowings by the Union Government from multilateral and bilateral foreign donors.

Union Government borrows from multilateral and bilateral donors for the country's economic development. However, country's external debt burden and debt servicing liability are always kept in view while contracting new loans.

Non-Viable Branches of G.I.C.

*500 SHRI PRADIP BHATTACHARYA : Will the Minister of FINANCE be pleased to state :

(a) whether the General Insurance Corporation (GIC) propose to close down non-viable branches of its subsidiaries;

(b) if so, the facts and details thereof;

(c) whether the Government propose to merge non-viable branches with the viable ones;

(d) if so, the details thereof; and

(e) if not, the other alternatives proposed to be taken to make them viable?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The General Insurance Corporation (GIC) have informed that presently no such proposal is under their consideration.

(b) to (e). Do not arise.

Insurance Cover to Construction Workers

4425. SHRI N.S.V. CHITTHAN : Will the Minister of FINANCE be pleased to state :

(a) whether insurance cover has been extended to the construction workers of Railways in the country;

(b) if so, the details and the States that have implemented the scheme so far; and

(c) the number of workers likely to be covered under this scheme Statewise?

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

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

Speedy Trials

4426. SHRI I.D. SWAMI : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned "S.C. ruling to help speedy trial" appearing in the Hindustan Times dated August 5, 1996;

(b) if so, whether the Government propose to direct the State Governments to implement the said ruling for speedy disposal of pending cases;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

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

(b) and (c). No, Sir.

(d) Article 141 of the Constitution of India provides that the law declared by the Supreme Court shall be binding on all courts within the territory of India.

Amendment in R.P. Act, 1950

4427. SHRI NARAYAN ATHAWALAY : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government propose to amend Representation of the Peoples Act, 1950 in the light of the recommendations made by the Committee; and

(b) if so, the details of action/decision taken/proposed to be taken in this regard, in view of impending elections in J&K and U.P.?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b). Important recommendations of Dinesh Goswami Committee which, by and large, have already been implemented are given in the *Statement* attached. At present, there is no proposal to further amend the Representation of the Peoples Act, 1950 before elections in Jammu & Kashmir and Uttar Pradesh in the light of the recommendations made by the Goswami Committee.

STATEMENT

Important recommendations of the Dinesh Goswami Committee already implemented by the Government

1. Constitution of the Election Commission into a three member body.
2. The tenure of CEC and other Election Commissioners made six years or sixty-five years of age, whichever is earlier.
3. Issuance of photo identity cards to voters.
4. Use of Electronic Voting Machines in elections.
5. Enhancement of punishment for breach of official duty in connection with preparation of electoral rolls, etc.
6. Disqualification of a person held guilty under sections 2 and 3 of the Prevention of Insults to National Honour Act, 1971.
7. Statutory backing to observers appointed by Election Commission of India and empowering them to direct Returning Officer, pending decision of the Election Commission, to stop counting or declaration of the result in case large scale booth capturing has taken place.
8. Increase in security deposit and laying down the requirement of ten proposers in case of an independent candidates.
9. Restriction on a candidate from contesting in more than two constituencies of the same class.
10. Arrangement of names of candidates of recognised political parties above the names of independent candidates on the ballot paper.

11. Non-countermanding of election in case of death of an independent candidate.
12. Amplification of the provision relating to prohibition on public meetings so as to prohibit other forms of electioneering as well during 48 hours ending with the hour fixed for conclusion of the poll.
13. Enhancement of punishment for disturbance at public meetings and making the offence cognizable.
14. Enhancement of punishment for the offence of hiring or procuring of any vehicle, etc., for free conveyance of any elector to or from any polling station.
15. Prohibition on going armed to or near a polling station on the day of poll by making it an electoral offence.
16. Amplification of the scope of the provision which makes the removal of ballot paper from polling station an offence.
17. Amplification of the offence of booth capturing as also punishment thereof and making the offence cognizable.
18. (i) Grant of paid holiday to employees of any business, trade, industrial undertaking or any other establishment on poll day.
(ii) Ban on sale/distribution of liquor etc. for 48 hours ending with the hour fixed for conclusion of the poll.
19. Holding of bye-elections within a period of six months.

Cotton Production

4428. SHRI SANAT MEHTA: Will the Minister of TEXTILES be pleased to state:

(a) the reasons for contradictory assessments of production and consumption of cotton by various Government agencies such as office of Textiles Commissioner, Textile Ministry and Cotton Advisory Board for the current year; and

(b) the likely impact of such wide variation in estimates on cotton trade and the cotton-growers.

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

(a) Ministry of Textiles, Government of India as well as the office of the Textile Commissioner follow the estimates of cotton production as estimated by the Cotton Advisory Board.

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

Precaution to Avoid Accidents

4429. SHRI JITENDRA NATH DAS : Will the Minister of COAL be pleased to state :

(a) the precautionary measures taken by the Government to avoid accidents in coal mines of Bihar and other States due to inundation before the monsoon;

(b) whether any notices have been served to individual coal mines of CIL/IISCO/ISCO for violation of inundation safety rules; and

(c) if so, the names of those mines and action taken against the officials found guilty?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) The precautionary measures against possibility of inundation of mines are laid down in the statutes and guidelines issued by the Directorate General of Mines Safety from time to time. Individual mine managers have been directed to comply with the statutory requirements and guidelines and to strictly ensure that no mine is worked with any violations thereof.

(b) No, Sir.

(c) Does not arise in view of the reply in (b).

Shifting of Industrial Units

4430. SHRIMATI VASUNDHARA RAJE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have shifted the location of some Central Public Sector Industrial Units from Delhi to neighbouring States;

(b) if so, the original location of such Industrial Units and the States to which these units have been shifted; and

(c) the number and details of such units shifted to each State?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c). As per available information, four Public Sector Undertakings have shifted their offices from Delhi as a part of the measures for decongesting the capital. A statement showing the names of these PSUs and the places to which they are shifted is enclosed.

STATEMENT

PSUs who have shifted their offices out of Delhi

Sl. No.	Name of PSU	Place to which shifted
1.	Pyrites, Phosphates and Chemicals Limited.	Noida (U.P.)
2.	Paradeep Phosphates Limited.	Bhubaneswar (Orissa)

Sl. No.	Name of PSU	Place to which shifted
3.	IBP Company Limited.	Noida (U.P.)
4.	Rashtriya Pariyojana Nigam Limited.	Faridabad (Haryana)

[Translation]

Voluntary Retirement Scheme

4431. SHRI LALIT ORAON: Will the Minister of INDUSTRY be pleased to state:

(a) the number of employees opted for voluntary retirement scheme in each of Central Public Sector Undertakings in Bihar during the last three years;

(b) whether the resultant vacancies therefrom has since been filled up;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) As per available information upto 31.3.95, the number of employees opted for voluntary retirement scheme in each of Central Public Sector Undertakings in Bihar during the last three years is as under:-

1.	Bharat Coking Coal Ltd.	10417
2.	Bharat Refractories Ltd.	307
3.	Bharat Wagon & Engg. Co. Ltd.	NIL
4.	Central Coalfields Ltd.	4650
5.	Central Mine Plng. & Design Instt. Ltd.	1
6.	Engg. Proj. (India) Ltd.	138
7.	Heavy Engg. Corpn. Ltd.	5728
8.	India Firebricks & Insulation Co. Ltd.	181
9.	Metallurgical & Engg. Consultants (I) Ltd.	24
10.	Mica Trading Corpn. of India Ltd.	849
11.	Projects & Dev. India Ltd.	363
12.	Pyrites, Phosphates & Chemicals Ltd.	461
13.	Ranchi Ashok Bihar Hotel Corpn. Ltd.	NIL
14.	Uranium Corpn. of India Ltd.	NIL

(b) to (d). As per DPE's O.M. dated 5.10.1988 wherever there is surplus manpower, the resultant vacancies caused by Voluntary Retirement Scheme would not be filled up.

[English]

World Bank Loan for Power Sector

4432. SHRI S.D.N.R. WADIYAR: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has taken a decision to stop any further lending to the Indian Power Sector;

(b) if so, the reasons therefor;

(c) whether the Government propose to negotiate with the World Bank and plead for sanction of loan to the power sector; and

(d) if so, the details thereof?

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

(b) to (d). Does not arise.

[Translation]

Textile Designing Exhibition

4433. SHRI N.J. RATHWA: Will the Minister of TEXTILES be pleased to state:

(a) whether any textile design exhibition has been organised in Gujarat during the last three years, till date;

(b) if so, the details thereof;

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

(d) whether the Government propose to organise more such exhibitions in Gujarat in the near future; and

(e) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) Yes, Sir. Four exhibitions were organised in Gujarat at following places during the year 1995-96;

- (i) Ahmedabad
- (ii) Bhuj
- (iii) Rajkot
- (iv) Mehasana

(b) The details are given below :

- (i) **Ahemdabad** : Approximately 100 students of Fine Arts School of Interior Textile Designs and Fashion Designing took great interest in workshop and initiative in practical doing.
- (ii) **Bhuj** : The use of Adai system of weaving for kachari shawls developed by Weavers' Service Centre (WSC), Ahemdabad for increased production was demonstrated. The printers and Bandani manufacturers of Bhuj and Mandavi actively participated and learnt the technique of dyeing and printing.
- (iii) **Rajkot** : It is predominantly a single Ikat silk Patola weaving area. The weavers took keen interest in dyeing of pure silk with acid dyes as well as vegetable dye.
- (iv) **Mehasana** : A crash training programme of five days was given to 10 members weavers of Bhasariya Group Industrial Cooperative Society Ltd. The Adai system of weaving for extra weft bed covers developed by WSC was displayed in the workshop.

(c) The focus of these exhibitions was to give exposure to interested persons in this field and also to disseminate information to concerned persons.

(d) and (e). Yes, Sir. The Government proposes to organise six exhibitions in Gujarat by Weavers' Service Centre, Ahemdabad during the year 1996-97.

[English]

Import of Coco

4434. **SHRI SOUMYA RANJAN**: Will the Minister of COMMERCE be pleased to state:

(a) the total quantity of coco imported and the foreign exchange incurred thereon during each of the last three years;

(b) whether a number of companies have increased the import of coco in the recent times;

(c) if so, the details thereof;

(d) whether this increase in the import of coco has resulted in its distress sale by the Indian growers; and

(e) if so, the steps proposed to be taken by the Government to minimise or to restrict its import?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) Quantity and value of import of different types of Coco during the last three years are given below:-

Quantity in Tonnes and Value in Rs.'000

Commodity Description Code	1993-94		1994-95		April 95 to Feb. 95	
	Qty.	Value	Qty.	Value	Qty.	Value
1801 Cocoa Beans, Whole broken, raw or roasted	220	9593	706	33567	1696	87789
1802 Cocoa Shells, Husks, skins and other cocoa waste	100	2027	500	10471	300	7367
1803 Cocoa paste whether or not defatted	-	-	-	-	82	5996
1804 Cocoa Butter fat and oil	140	11281	-	-	445	56821
1805 Cocoa Powder, not containing added sugar or other sweetening matter	3	124	22	917	92	2429
1806 Chocolate and other food preparations containing cocoa.	4	787	10	4043	27	4113

(b) and (c). Company-wise information on imports is not maintained.

(d) No information/representation on distress sale by domestic sellers has been received.

(e) Does not arise.

[Translation]

Bank Branches in Bihar

4435. SHRI GIRDHARI YADAV: Will the Minister of FINANCE be pleased to state:

(a) the details of the branches of nationalised banks in Bihar, bank-wise and location-wise;

(b) the details of amount deposited in these banks during each of the last three years, bank-wise;

(c) the amount sanctioned/allocated to the farmers during the above period bank-wise;

(d) whether the target fixed for extending loans to the farmers have been achieved by these banks; and

(e) if not, the reasons therefor and the remedial measures taken in this regard?

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.

NIFT Centres

4436. SHRI JAI PRAKASH AGARWAL: Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government propose to open any more centres of the National Institute of Fashion Technology during the current financial year;

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

(c) the amount spent for smooth functioning and maintenance of the NIFT centres already set up during each of the last three years till date, centre-wise?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). Proposals received from some States are under examination.

(c) Five branches of NIFT were set up at Calcutta, Gandhinagar, Hyderabad, Madras and Mumbai in the year 1995. The expenditures incurred for smooth functioning and

maintenance of each of these Centres during the financial year 1995-96 are shown below against the names of the centres:

Branch	Rs. in lakh
Calcutta	73.00
Gandhinagar	70.00
Hyderabad	78.00
Madras	80.00
Mumbai	83.50

[English]

Commodity Switch Scam

4437. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the attention of the Government has been drawn to the newsitem captioned "Commodity-switch scam cost' 150 million" appearing in the "Economic Times dated August 5, 1996;

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

(c) whether the Government propose to do away with such "switch deals" to obviate huge losses to the country in terms of hard currency earnings and sort out the repayment of debt to the erstwhile Soviet Union;

(d) if so, the details thereof; and

(e) if not the action taken by the Government to deal with the matter?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). Yes, Sir. The said news item refers to the reported diversion of export consignments to Russia in respect of spices and coffee under the debt repayment scheme. In this regard Coffee Board have informed that complaints were received that part of exports of coffee permitted to Russia under the debt repayment funds were being switched to other countries on high seas instead of landing in Russia. The Coffee Board intimated that they had taken the following remedial steps on immediate basis:-

(i) All the exporters who have shipped coffee to Russia after 1.4.96 were requested to furnish corresponding landing certificates along with customs clearance certificates;

(ii) The exporters were also warned out not to divert coffee from the destinations mentioned in the permits;

- (iii) The exporters were further requested not to use the balance permits issued to them by the Board for export to Russia until they furnish landing proof for all the quantity for which proof of export had been submitted;
- (iv) All the major ports and customs authorities have been requested by the Board not to allow any shipments to Russia without prior clearance from the Coffee Board. A list of pending permits along with exportwise details were also furnished to the port authorities.

(c) to (e). The Government of India is committed to check any illegal diversion of export consignments meant for Russia under the debt repayment route. In order to prevent such diversion, the following measures are being contemplated by the Government:-

- (i) Exports through consignment sales by way of customs bonded warehouses.
- (ii) Finalisation of Customs Agreement between Indian and Russia for cooperation in customs matters; and
- (iii) Insistence on the Russian side for providing satisfactory proof of landing.

It is also been informed by the Coffee Board that henceforth the Board is stipulating on the permits as well as on the certificate of origin that the "Country of destination not changeable" to other than the country of destination for which the permit was issued. The Board has also made it mandatory that exporters shall furnish landing certificates with customs clearance certificates for all exports meant for Russia under the debt repayment route.

India Brand Equity Fund

4438. SHRI MADHUKAR SARPOTDAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have finalised the Constitution of the Indian Brand Equity Fund; and

(b) if so, the details of its scope and the nature of activities of the said Fund?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). The Trust Deed of India Brand Equity Fund (IBEF) has already been registered on 11.7.1996. The basic idea behind the setting up of the Fund is to develop a brand building export promotion strategy in order to achieve a quantum export jump in comparatively shorter time framework. The fund will work towards promotion of Indian brands and products in overseas markets.

The Fund will undertake international promotions to project India as a whole as well as broad production sectors, support sectoral as well as product group promotion within each sector, support particular brands which have achieved international quality and performance standards and support domestic awareness generation programmes directed at quality and high business ethics.

Heavy Industries Projects

4439. SHRI D.S.A. SIVAPRAKASAM: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to set up heavy industries in the States in near future; and

(b) if so, the details thereof alongwith the location thereof, Statewise?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) There is no proposal to set up heavy industries in the public sector in the States at the present.

(b) Does not arise.

Strike/Agitation made by Employees of MPEDA

4440. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of COMMERCE be pleased to state;

(a) whether there was any strike/agitation by the employees of Marine Product Export Development Authority, Cochin recently;

(b) if not, the reasons therefor; and

(c) the steps taken by the Government to redress the grievances of the employees?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (c). Members of the Marine Products Export Development Authority (MPEDA) Officers' Association and the MPEDA Staff Association have been agitating against the reported move to post an officer from services other than MPEDA as the resident Director in the Trade Promotion Office of MPEDA in New York. They have been wanting the officers from MPEDA may be selected for this post as well as for the post of director which will be falling vacant shortly. No final decision has been taken by the Government in this matter so far.

Ban on Import of Animal Products from Britain

4441. SHRI MOHAN RAWALE: Will the Minister of COMMERCE be pleased state:

(a) whether the Government are aware that several countries in the World have banned the import of animal products originating from Britain due to mad cow disease (Bovine Spongiform Encephalopathy) detected there;

(b) if so, whether the Government have taken any precautionary measures in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) Yes, Sir. One of the major trading blocks viz. the European Union has imposed a ban on international sale of all meat products of British cattle.

(b) and (c). Yes, Sir. Import of tallow, fat/oils etc. of any animal origin are not permitted and have been classified as prohibited items in the Negative List of imports under the Export and Import Policy. In view of the incidence of *Bovine Spongiform Encephalopathy* (BSE) in UK and other countries, government has taken further measures to restrict import of products/items so as to ensure that they originate only from healthy animals free from BSE.

Amendment in the Contempt of Court Act, 1971

4442. SHRI SUSHIL CHANDRA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government propose to amend the Contempt of Courts Act, 1971 so as to allow criticism of judgements, judicial system and to make the system healthy and incorruptible;

(b) if so, the time by which such an amendment is expected to be introduced through a Bill in the Parliament; and

(c) if not, the other steps being taken to make the judicial system healthy and incorruptible?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP): (a) No, Sir.

(b) Does not arise.

(c) The existing laws are sufficient to make the judicial system healthy and incorruptible.

EURO/GDR Issues

4443. SHRI RAM CHANDRA VEERAPPA: Will the Minister of FINANCE be pleased to state:

(a) the total receipts (in rupees as well as dollars) by Indian Companies from participation in Euro issues and GDRs flotation during the last three years;

(b) the average rate of interest attached to such issues;

(c) whether the realisation from Euro issues and GDRs are being increasingly used to retire domestic borrowing which bear a substantially higher rate of interest; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The amount raised by Indian Companies through Euro Issues Global Depositary Receipt (GDR) and Foreign Currency Convertible Bonds (FCCBs) in dollars and rupee equivalent, during the last three years have been as follows:

Years	Amount in US \$ million	Equivalent in Rs. crores
1993-94	2500.00 + S.Fr.20 million	7868.00
1994-95	1991.63	6248.16
1995-96	616.25	2156.88

(b) In terms of the Euro issue Guidelines dated 19.6.96, the all-in costs for FCCBs should be significantly better than the corresponding debt instruments (ECBs). Interest rates on US dollars denominated FCCBs issued by Indian Companies have ranged between 2.25% to 7.8%.

(c) and (d). As per the Government of India guidelines dated 19.6.96 for Euro issues, the companies can utilise upto 25% of the Euro issue proceeds for general corporate restructuring including working capital requirements, which also covers retirement of high cost domestic borrowings.

Public Interest Petitions

4444. DR. VALLABH BHAI KATHIRIA:
SHRI RATILAL KALIDAS VERMA:
SHRI CHANDRESH PATEL:

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

(a) the details of the procedure for submitting a public interest petition and the basis on which it is admitted by the court;

(b) the number of public interest petitions received by various courts of the country during each of last three years; and

(c) the number of petitions admitted and judgements given by the courts on these petitions?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND

DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP): (a) to (c). The information is being collected and will be laid on the Table of the House.

[Translation]

Increase in Price of Tea

4445. SHRI S.P. JAISWAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the prices of tea have been increasing continuously;

(b) if so, the reasons therefor; and

(c) the steps taken to check the rising trend in prices of tea?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) While average auction prices of teas at Indian auctions have increased by 8.66% during January-July, 1996 as compared to the corresponding period of 1995, retail prices of consumer preference medium variety teas have not registered increase during the first 6/7 months of the current year.

(b) and (c). Marginal recovery in auction prices of tea during the current year as compared to depressed level of prices during 1994 and 1995 is on account of better demand. No special steps are envisaged to check the prices as increase in the prices is not very high. Tea Board, however, monitoring tea prices both at auction and retail level on a continuing basis.

[English]

Industrial Park in Assam

4446. SHRI KESHAV MAHANTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to set up any industrial park in the States with particular reference to Assam;

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

(c) whether the Government of Assam has any share in that industrial park; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Yes, Sir. Upto now 18 Export Promotion Industrial Parks (EPIP) have been approved to be set up in Amingaon near Guwahati (Assam), Dhandari Kalan (Punjab), Ambarnath (Maharashtra), Kakkanad (Kerala), Baddi (H.P.), Sitapura (Rajasthan), Hoodi (Karnataka), Kundli (Haryana),

Surajpur (U.P.), Gammidipoondi (Tamil Nadu), Pashamylaram (Andhra Pradesh), Savli (Gujarat), Hazipur (Bihar), Durgapur (West Bengal), Byrnihat (Meghalaya), Siya (Madhya Pradesh), Bhubaneswar (Orissa) and Samba (J&K).

(c) and (d). As per the project proposal of the Government of Assam, the EPIP is to be financed as under:-

Govt. of India Grant	Rs. 10.00 crores
Government of Assam/ Assam Industrial Development Corporation.	Rs. 4.62 crores

Examination for Clerks in Banking Service

4447. DR. ARVIND SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether both the Banking Services Recruitment Boards of Delhi and Lucknow have fixed the same date of examination, i.e., December 16, 1996 for the posts of Clerks, etc.;

(b) whether the Government are aware that most of the candidates are going to appear in both examinations;

(c) if so, the jurisdiction for fixing the same date for the examination by both the Boards;

(d) whether the Government propose to change the date of one of the Boards to protect the interest of the candidates who desire to avail of the chances in both the Boards; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir. However, common date of examination is 15.12.1996 and not 16.12.1996.

(b) to (e). The Government had, in November, 1990, inter alia, advised the Banking Service Recruitment Boards (BSRBs) that as far as possible, the examinations by the BSRBs for various cadres may be conducted on common dates.

The Government have, however, decided to re-examine the matter. Pending re-examination, the BSRBs have been advised to hold the clerical examinations scheduled to be held on 15.12.1996 on different dates.

[Translation]

Hard Coke Oven and Plants

4448. PROF. RITA VERMA: Will the Minister of COAL be pleased to state:

(a) the number of hard coke oven and plants in the country as on 1982-83 and the quantum of coal required for production of hard coke at that time;

(b) the number of oven and plants in working condition at present alongwith the quantum of coal required for production of hard coke;

(c) the number of employees working in these oven and plants during 1982-83 and number of these workers at present;

(d) whether many employees who were working in those oven and plants have now been engaged in other works; and

(e) if so, the reasons therefor and the work in which they have been engaged?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The management Information System maintained by coal companies does not give information on the number of hard coke ovens and plants in the country in 1982-83 or the quantum of coal required by them in that year.

(b) As per the information made available by Coal India Limited, currently 176 such plants are drawing raw coal from CIL sources. The monthly requirement of these plants is around 4 lakh tonnes.

(c) to (e). The coal companies do not have any information on the number of employees working in various hard coke ovens in the country in 1982-83 or even at present. Presently more than 176 coke oven units are operational in the small and medium sectors spread over the length and breadth of the country. The coal companies do not maintain any information of the employees of these coke oven plants.

[English]

Recurring Deposits in Post Offices

4449. SHRI S. AJAY KUMAR: Will the Minister of FINANCE be pleased to state:

(a) the total arrears to be paid as Commission to the Recurrent Deposit (RD) Collectors of Post Office, State-wise as on date; and

(b) the measures which have been taken by the Government to clear the arrears at an early date?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The total arrears to be paid as Commission to the Recurring Deposit Collectors (MPKBY Agents) to the Post Office, State-wise, are given in the attached statement.

(b) The measures taken by the Government to clear the arrears include:

(i) Authorising the Regional Directors to issue outstation cheques upto Rs. 5000/- to the Agents; instead of the earlier practice of issuing Bank Drafts.

(ii) Issuance of a set of guidelines by the National Savings Commissioner to all the Regional Directors to ensure quick payment within a maximum period of 8 weeks.

(iii) Conducting of one day Orientation Training Programme for MPKBY Agents throughout the country to ensure expeditious processing of payment of Commission claims and to motivate them. The Programme was successfully conducted on 2.9.1995 in all the Regional Director's and Deputy Regional Directors' Head Quarters throughout the country.

STATEMENT

(In lakhs of Rs.)

S.No.	Name of State	Commission amounts
1.	Andhra Pradesh	380
2.	Assam	29
3.	Bihar	6
4.	Delhi	62
5.	Goa	1
6.	Gujarat	213
7.	Haryana	69
8.	Himachal Pradesh	26
9.	Jammu & Kashmir	N.A.
10.	Karnataka	9
11.	Kerala	203
12.	Madhya Pradesh	85
13.	Maharashtra	437
14.	Orissa	5

S.No.	Name of State	Commission amounts
15.	Punjab	75
16.	Tamil Nadu	20
17.	Tripura	9
18.	Manipur	N.A.
19.	Rajasthan	511
20.	Meghalaya	N.A.
21.	Uttar Pradesh	18
22.	West Bengal (including Sikkim)	8
Total		2166 (apprx.)

Central Excise on Rosin

4450. SHRI CHAMAN LAL GUPTA:
SHRI NARAYAN ATHAWALAY:
SHRI NAMDEO DIWATHE:

Will the Minister of FINANCE be pleased to state:

(a) whether imposition of Central Excise duty on rosin units for cottage and small scale units operating without power is effecting over large number of workers in the States of J & K, Himachal Pradesh, Punjab and U.P.;

(b) if so, whether the Government have received representation to this effect from various organisations;

(c) if so, the reaction of the Government to the various observations/points made therein; and

(d) the amount of Central excise collected from aforesaid SSI units after imposition of central excise duty?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). Exemption from central excise duty on rosin, manufactured without the aid of power, was withdrawn in the budget for the year 1994-95 and duty at the rate of 20% was levied on such rosin. Government have received representations stating that the withdrawal of excise duty exemption on rosin manufactured without the aid of power has created adverse impact on such units. These are under consideration.

(d) The duty collected (provisional) from units manufacturing rosin without the aid of power during the period 1994-95 and 1995-96 is given below:

1994-95 Rs. 1.20 crore

1995-96 Rs. 1.07 crore

Import Duty on Crude Oil

4451. SHRI K.S. RAYADU: Will the Minister of FINANCE be pleased to state:

(a) whether the Petroleum and Natural Gas Authorities and Indian Oil Corporation have approached for a further cut in crude oil import duties to reduce the cost of importing crudes; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). Ministry of Petroleum and Natural Gas have suggested to consider reduction of import duty on Petroleum Products. The suggestion is under examination.

Promotion of Exports in Computer and Software

4452. SHRIMATI SUMITRA MAHAJAN: Will the Minister of COMMERCE be pleased to state:

(a) whether any Government organisation exists to promote exports to developed countries in the field of computer and software including data processing;

(b) if so, the details thereof; and

(c) if not, the steps being taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (c). The Electronics and Computer Software Export Promotion Council Promotes exports in the field of electronics and computer software. The Council is a non-profit organisation registered under the Societies Registration Act.

[Translation]

Demand/Supply of Paper

4453. SHRI SOHAN BEER: Will the Minister of INDUSTRY be pleased to state:

(a) the annual demand and availability of paper in the country;

(b) the details of paper mills set up in the country and their annual production capacity thereof, separately, State-wise;

(c) whether the raw material required for the production of paper is available in adequate quantities in the country;

(d) whether the Government propose to issue licences for setting up of small paper mills in the country; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Annual demand and production of common variety of paper and paperboard in the country during the year 1995-96 has been around 28 lakh tonnes.

(b) A statement is enclosed.

(c) Although there is shortage of wood based raw material, there is no dearth of non-conventional raw material such as bagasse and agricultural residues which are being used for the manufacture of paper and paperboard in the country.

(d) and (e). Paper Industry has been partially delicensed since July, 1991. Paper units based on use of minimum of 75% pulp from non-conventional raw-materials such as agricultural residues etc., are exempt from industrial licensing. The Entrepreneurs have to only file an Industrial Entrepreneur Memorandum with the Secretariat for Industrial Approvals for establishing a new undertaking and effecting substantial expansion. Paper units using more than 25% wood based raw-materials are required to obtain Industrial Licence.

STATEMENT

S. No.	Name of the State/ Union Territory	No. of Paper Mills	Installed Capacity (MT/annum)
1.	Andhra Pradesh	19	4,26,620
2.	Assam	4	1,88,000
3.	Bihar	9	99,000
4.	Gujarat	55	3,69,199
5.	Haryana	18	1,54,860
6.	Himachal Pradesh	15	68,800
7.	Jammu & Kashmir	1	3,300
8.	Karnataka	17	2,06,570
9.	Kerala	4	36,650
10.	Madhya Pradesh	18	2,49,750
11.	Maharashtra	63	6,24,170
12.	Nagaland	1	33,000

S. No.	Name of the State/ Union Territory	No. of Paper Mills	Installed Capacity (MT/annum)
13.	Orissa	8	2,41,572
14.	Punjab	23	1,94,480
15.	Rajasthan	8	48,850
16.	Tamil Nadu	24	2,17,372
17.	Uttar Pradesh	68	3,36,365
18.	West Bengal	22	2,65,530
19.	Chandigarh	1	3,000
20.	Pondicheri	1	9,000
Total:		379	37,76,088

[English]

Loan Waiver Scheme

4454. SHRI SURESH PRABHU: Will the Minister of FINANCE be pleased to state:

(a) the details of the States which have represented to the Union Government against non-receipt of funds on account of loan waiver scheme;

(b) the reasons for this non-payment; and

(c) the amount involved therein?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). Presumably, the Hon'ble Member is referring to the Agricultural and Rural Debt Relief (ARDR) Scheme, 1990. Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) have reported that the claims of all banks have since been settled.

While making final settlement of the claims of all banks, Government of India had decided to settle the claims of the State Cooperative Banks (SCBs) and State Land Development Banks (SLDBs) after effecting a standard deduction of 5% of the total final claims, wherever penal interest was included in the claims. The final settlements were accordingly made. However, some of the SCBs and SLDBs had represented to Government in regard to the standard deduction but a decision was taken not to entertain such claims.

*[Translation]***Heavy Engineering Corporation**

4455. SHRI RAMTAHAL CHAUDHARY: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware of the deteriorating financial condition of Heavy Engineering Corporation (HEC) Ltd., Ranchi in Bihar;

(b) whether it is on the verge of closure;

(c) if so, the details thereof; and

(d) the steps being taken to save the mill from closure?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Heavy Engineering Corporation Ltd. (HEC) Ranchi in Bihar has been facing financial crisis due to its continued losses for quite some time.

(b) to (d). BIFR, in its hearing held on 26.8.96, has sanctioned the rehabilitation scheme of HEC. At the same time, Government is extending financial support to the company within its budgetary constraints.

*[English]***Export of Electronics and Computer Software**

4456. SHRI E. AHAMED: Will the Minister of COMMERCE be pleased to state:

(a) whether the export of electronics and Computer Software and related services has increased during 1995-96;

(b) if so, the details thereof; and

(c) the amount of foreign exchange earned therefrom?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (c). Yes Sir. The details are given below:

Exports in Rs. (Crores)

1994-95	1995-96 (E)	Percentage Growth
3808	6375	67.41%

(Source : Electronics & Computer Software Export Promotion Council)

(E) Estimated

De-Limitation and De-Reservation of Parliamentary and Assembly Constituencies

4457. SHRI B.L. SHANKAR: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the process of de-limitation and de-reservation of Parliamentary and Assembly constituencies throughout India is on;

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

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

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP): (a) No, Sir.

(b) and (c) Do not arise.

*[Translation]***Powerlooms**

4458. SHRI NAND KUMAR SINGH CHAUHAN
SHRI KALLAPPA AWADE:

Will the Minister of TEXTILES be pleased to state:

(a) whether manufacturing of Dhoti and some other varieties of clothes have been banned in powerloom sector;

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

(c) the policy chalked out by the Government to save the powerloom industry and millions of powerloom workers?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) Yes, Sir

(b) and (c). The Government have reserved certain varieties of Dhoties and some other items with certain specifications and description for exclusive manufacture in the Handloom Sector under Handloom (Reservation of Articles for Production) Act, 1985 for the protection and development Handloom Industry. Name of items reserved are given in the attached statement. With a view to developing powerloom industry, various steps have been taken like opening of Powerloom Service Centre, Computer Aided Design Centre, Powerloom Development & Export Promotional Council and implementing Insurance scheme for Powerloom workers & weavers.

STATEMENT.

1. Saree
2. Dhoti
3. Towel, Agancha and Angavastram
4. Lungi
5. Khes, Bedsheet, Bedcover, Counterpane, Furnishing (including Tapestry, Upholstery)
6. Jamakkalam Durry or Durret
7. Dress Material
8. Barrack Blankets, Kambal or Kamblies
9. Shawal, Loi, Muffler, Pankhi etc.
10. Woolen Tweed
11. Chaddar Mekhala/Phanek

Joint venture units in Madhya Pradesh

4459. SHRI DEVI BUX SINGH: Will the Minister of INDUSTRY be pleased to state:

(a) the number of joint venture units of the Union Government functioning in Madhya Pradesh at present particularly in the tribal areas;

(b) whether Union Government propose to formulate any action plan for the industrial development of this tribal areas; and

(c) if so, the details thereof?

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

Dues against NTC

4460. SHRI SHANTILAL PARSOTAMDAS PATEL:
SHRI SANAT MEHTA:

Will the Minister of TEXTILES be pleased to state:

(a) whether National Textile Corporation has to pay Rs. 11.70 crores towards cotton supplied by the Gujarat State Co-operative Cotton Federation during the last three years;

(b) whether this has adversely affected the cotton growers cooperatives and cotton growers in Gujarat; and

(c) if so, the steps taken by the NTC to repay the outstanding dues of Gujarat State Co-operative Cotton Federation?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) As on 31.3.96, NTC had to pay a sum of Rs. 15.44 crores to the Gujarat State Co-operative Cotton Federation towards purchase of cotton.

(b) and (c). Since cotton is purchased by the NTC mills on credit terms, there are always bound to be certain outstanding dues at any given point of time. NTC is unable to clear all the outstanding dues due to acute working capital shortage. NTC is expected to clear the dues depending upon the availability of working capital.

Clearance to Export Bills

4461. SHRI ASHOK PRADHAN:
SHRI RAMESH CHENNITHALA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has recently directed the commercial Banks to take immediate action for recovery of the large amount of foreign exchange blocked against piles of uncleared export bills;

(b) if so, the details thereof and the quantum of foreign exchange to be recovered as a result thereof; and

(c) the action taken or proposed to be taken against the defaulting companies in this regard?

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.

Domestic and International Disputes

4462. SHRI BHAKTA CHARAN DAS: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Chief Justice of India has suggested to establish and promote alternative dispute resolution services for speedy resolution of both domestic and international disputes in the country;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b). The Chief Justice of India has endorsed the need for promoting Alternative Dispute Resolution (ADR) mechanisms in India for speedy resolution of domestic as well as international disputes.

(c) Govt. has taken a number of steps such as, the enactment of the new law on arbitration and conciliation, the conferment of statutory status on Lok Adalats and the bringing into force of the Legal Services Authorities Act, etc., for promoting the ADR movement in India.

Losses in PSUs

**4463. PROF. PREM SINGH CHANDUMAJRA:
SHRI NITISH KUMAR:**

Will the MINISTER OF INDUSTRY be pleased to state:

(a) whether there are many Public Sector Undertakings whose accumulated loss upto March, 1996 is more than the total capital invested in them;

(b) if so, the details of such undertakings and the amount of capital invested in them and the amount of loss incurred by them separately;

(c) whether the Government have formulated any scheme to revive them after making economical viable;

(d) if so, the details thereof; and

(e) the total number of employees working in all such Public Sector Undertakings as on April, 1996?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). As on 31.3.1995 upto which period only the information is available, the details of capital invested and accumulated losses in PSUs where accumulated losses are more than capital employed are given in the attached statement.

(c) and (d). The industrial sick PSUs have been referred to BIFR for preparation of revival/rehabilitation package. The management of sick non-industrial PSUs prepares revival package in consultation with their administrative Ministries/Departments.

(e) The number of regular employees working in such PSUs are also given in the attached statement.

STATEMENT

List of PSUs with Accumulated Losses more than Capital Investment and the number of employees during 1994-95

(Rs. in lakhs)

S. No.	Name of the Company	Accumulated Losses	Capital Investment	No. of Employees
1.	Artificial Limbs Mfg. Corpn. of India	3271	-1082	546
2.	Assam Ashok Hotel Corpn. Ltd.	180	85	84
3.	Bengal Chemicals & Pharmaceuticals Ltd.	6779	731	1171
4.	Bengal Immunity Ltd.	5925	372	1136
5.	Bharat Brakes & Valves Ltd.	4468	-1649	501
6.	Bharat Gold Mines Ltd.	20558	-1322	6607
7.	Bharat Immunological & Biologicals Corpn. Ltd.	161	-514	139
8.	Bharat Leather Corpn. Ltd.	1102	-80	155
9.	Bharat Ophthalmic Glass Ltd.	11585	-7340	466
10.	Bharat Process & Mechanical Engineers Ltd.	9013	-5802	518
11.	Bharat Pumps & Compressors Ltd.	10268	634	1786
12.	Bharat Refractories Ltd.	8478	3427	2954

S. No.	Name of the Company	Accumulated Losses	Capital Investment	No. of Employees
13.	Biecco Lawrie Ltd.	2726	1741	951
14.	Birds, Jute & Exports Ltd.	1110	-194	212
15.	Braithwaite & Co. Ltd.	15903	-6549	3743
16.	Braithwaite, Burn & Jessop Constrn. Ltd.	1522	-477	159
17.	British India Corpn. Ltd.	22468	-1519	5981
18.	Brushware Ltd.	20	-11	57
19.	Burn Standard Company Ltd.	30293	-11284	11139
20.	Cawnpore Textiles Ltd.	4582	-1600	1316
21.	Cement Corpn. of India Ltd.	52716	18740	6218
22.	Central Inland Water Transport Corpn.	30845	-913	1722
23.	Coal India Ltd.	24627	-109717	7206
24.	Cochin Shipyard Ltd.	17978	16016	2513
25.	Cycle Corporation of India Ltd.	25433	-11572	1778
26.	Damodar Cement and Slag Ltd.	3381	1017	297
27.	Electronics Trade & Technology Dev. Corpn. Ltd	3074	1664	395
28.	Elgin Mills Company Ltd.	35252	-18776	4035
29.	Engineering Projects (India) Ltd.	64599	-441855	753
30.	Fertilizer Corpn. of India Ltd.	248433	-93599	8125
31.	Heavy Engineering Corpn. Ltd.	96041	-15321	12275
32.	Hindustan Fertilizer Corpn. Ltd.	262365	-160787	8853
33.	Hindustan Paper Corporation Ltd.	77831	-12744	3613
34.	Hindustan Photo Films Mfg. Corpn. Ltd.	21853	-1893	3127
35.	Hindustan Prefab Ltd.	1182	753	855
36.	Hindustan Shipyard Ltd.	73089	-16505	5447
37.	Hindustan Steel Works Constrn. Ltd.	62982	-33075	16229
38.	Hooghly Dock and Port Engineers Ltd.	6252	-490	1388

S. No.	Name of the Company	Accumulated Losses	Capital Investment	No. of Employees
39.	Hotel Corpn. of India Ltd.	7904	1782	3884
40.	IISCO Ujjain Pipe & Foundry Co. Ltd.	1138	-860	289
41.	India Firebricks & Insulation Co. Ltd.	1925	663	924
42.	Indian Drugs & Pharmaceuticals Ltd.	59215	-9122	7940
43.	Indian Iron & Steel Co. Ltd.	89897	13685	31098
44.	Indian Road Constn. Corpn. Ltd.	36004	-16978	180
45.	Intelligent Communication Systems India Ltd.	110	-28	16
46.	Jessop & Co. Ltd.	20843	-8303	5579
47.	Jute Corpn. of India Ltd.	4066	927	1869
48.	Konkan Railway Corpn. Ltd.	373	-4474	2158
49.	Mandya National Paper Mills Ltd.	14956	09576	815
50.	Mineral Trading Corpn. of India Ltd.	2918	1107	533
51.	Mineral Exploration Corpn. Ltd.	3728	3354	3931
52.	Mining & Allied Machinery Corpn. Ltd.	35815	-11455	4456
53.	Nagaland Pulp & Paper Company Ltd.	36479	-23914	805
54.	National Bicycle Corpn. of India Ltd.	11940	-5170	687
55.	National Bldg. Constn. Corpn. Ltd.	12602	4057	3504
56.	National Instruments Ltd.	11503	-6695	895
57.	National Jute Manufacturers Corpn. Ltd.	54095	-3288	30050
58.	National Textiles Corpn. Ltd.	675	-2830	1206
59.	North Eastern Handicrafts & Handloom Development Corpn. Ltd.	452	340	162
60.	North Eastern Regional Agn. Marketing Corpn. Ltd.	1107	-277	71
61.	NTC (A Pradesh, Karnataka, Kerala & Mahe) Ltd.	28642	503	11608
62.	NTC (Delhi, Punjab & Rajasthan) Ltd.	17979	-3021	7124
63.	NTC (Gujarat) Ltd.	44906	-13303	7093

S. No.	Name of the Company	Accumulated Losses	Capital Investment	No. of Employees
64.	NTC (Madhya Pradesh) Ltd.	40872	-12500	11974
65.	NTC (Maharashtra North) Ltd.	46348	-11005	10277
66.	NTC (South Maharashtra) Ltd.	41105	10778	12488
67.	NTC (Uttar Pradesh) Ltd.	48891	-10419	11860
68.	NTC (West Bengal, Assam, Bihar & Orissa) Ltd.	62951	-16131	10346
69.	Orissa Drugs & Chemicals Ltd.	406	48	89
70.	Projects & Development India Ltd.	12297	-3190	2748
71.	RBL Ltd.	1023	-370	254
72.	Ranchi Ashok Bihar Hotel Corpn. Ltd.	147	107	55
73.	Rashtriya Pariyojna Nirman-Nigam Ltd.	3905	1439	4353
74.	Rehabilitation Industries Corpn. Ltd.	27442	-16832	1466
75.	Richardson & Cruddas (1972) Ltd.	10836	-4406	1778
76.	Scooters India Ltd.	56383	-37974	2049
77.	Scooters India (International) GmbH W. Germany	9	-1	1
78.	Smith Stanistreet & Pharmaceuticals Ltd.	4294	30	623
79.	Tannery & Footwear Corpn. of India Ltd.	21290	-11898	1482
80.	Tea Trading Corpn. of India Ltd.	2394	-144	4028
81.	Triveni Structurals Ltd.	8253	-1887	1467
82.	Tyre Corporation of India Ltd.	18816	4703	2344
83.	U.P. Drugs & Pharmaceuticals Ltd.	1245	-282	347
84.	Utkal Ashok Hotel Corpn. Ltd.	250	19	55
85.	Vayudoot	15924	-5454	1661
86.	Vignyan Industries Ltd.	828	-405	217
87.	Weighbird (India) Ltd.	2319	-1094	188

*[English]***Non Voting Shares**

4464. SHRI DHIRENDRA AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to allow companies to invest 25% of their total capital in non-voting shares; and

(b) if so, the details thereof and the reasons therefor together with its impacts on the foreign institutional investors?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). The Government proposes to amend the Companies Act, 1956 in order to provide that companies may issue Non-voting Shares not exceeding 25 per cent of their issued equity share capital with voting rights. This measure would provide an enabling mechanism to the Indian companies to mobilise funds for their projects and activities without diluting the controlling interest of the promoters.

The non-voting shares would carry a higher rate of dividend compared to shares with voting rights. The advantage of a higher return will be available to all investors including the Foreign Institutional Investors, who may like to invest through this instrument.

CPU in Orissa

4465. SHRI BHAKTA CHARAN DAS: Will the Minister of INDUSTRY be pleased to state:

(a) the details of the Central Public Sector Undertakings in Orissa in which the investment level had decreased during the last three years with particular reference to PSUs situated in Nuapara and Kalahandi districts;

(b) whether the capacity and profit of these undertakings have increased;

(c) if so, the details thereof; and

(d) the steps proposed to be taken to increase the capacity and profit of these undertakings?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) The following five Central Public Sector Undertakings have their registered offices in Orissa:

1. Mahanadi Coalfields Ltd., Sambalpur
2. National Aluminium Co. Ltd., Bhubneswar
3. Orissa Drugs & Chemicals Ltd., Bhubneswar
4. Paradeep Phosphates Ltd., Bhubneswar
5. Utkal Ashok Hotel Corpn. Ltd., Bhubneswar.

The investment in terms of gross block has not decreased in these enterprises during the last three years except Utkal Ashok Hotel Corpn. Ltd. which showed a marginal decline of only Rs. 2 lakhs in 1994-95 over 1992-93.

(b) to (d). The capacity utilisation and profit/loss of these enterprises are given in Statement 23 and Statement 7-A and 7-B respectively of Volume-I of the Public Enterprises Survey 1994-95, laid in both the Houses of Parliament on 19.7.96.

Three PSUs have earned profits and two PSUs namely, Orissa Drugs & Chemicals Ltd. and Utkal Ashok Hotel Corpn. Ltd. have incurred losses during 1994-95. The Orissa Drugs & Chemicals Ltd. has been registered with BIFR. A revival scheme for this Company has already been approved by BIFR which is under implementation. In case of Utkal Ashok Hotel Corpn. Ltd., the management is preparing a turn around proposal in consultation with the administrative Ministry which include change in equity holding pattern in order to reduce interest burden, renovation of property, increase in room occupancy and sale of food, etc. These steps are likely to increase their overall profitability.

Budgetary Support for Sick P.S.Es

4466. SHRI K.C. KONDAIAH:
SHRI PRADIP BHATTACHARYA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are contemplating to review and resume budgetary support for sick public sector enterprises for their modernisation and survival;

(b) if so, the details therefor; and

(c) the action taken or proposed to be taken in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). Budgetary support is normally provided to sick public sector enterprises on the basis of their approved turn-around plans, which may include, restructuring their capital base, writing off of loans and outstanding interest, and outright budgetary support wherever unavoidable. Non-Plan support is also provided to deserving P.S.Es. to meet the shortfall in their resources to pay salaries and wages to their employees.

*[Translation]***Export of Pulses**

4467. SHRIMATI SHEELA GAUTAM:
SHRIMATI BHAVNA BEN DEVRAJBHAI
CHIKHALIA:

Will the Minister of COMMERCE be pleased to state:

(a) the total quantity of pulses exported and the foreign exchange earned therefrom in terms of rupees and dollars during each of the last three years, country-wise;

(b) whether any target has been fixed for the export of pulses during 1996-97 while the production of pulses is stable; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) the quantity of pulses exported including that from 100% EOU's and units located in EPZ's (who are permitted to import pulses under Advance Licensing Scheme) and the value of foreign exchange earned thereof during the last three years are as under:-

Year	Quantity (MT)	Value (Rs. in crores)
1993-94	43601	73.59
1994-95	50507	90.41
1995-96	61196	131.79

Country-wise details are available in the monthly bulletin/annual number of the Foreign Trade Statistics of India published by DGCI&S, Calcutta copies of which are available in the Parliament Library.

(b) and (c). Export of pulses are subject to licensing. A ceiling of 10,000 MTs has been released for export during 1996-97. The small quantity of 10,000 MTs, which represents about 0.01% of the domestic production, has been permitted for exports to maintain India's presence in the International market.

[English]

United Nations Industrial Development Organisation

4468. SHRI T. GOPAL KRISHNA:
SHRI L. RAMANA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether UNIDO's new investment and Technology Promotion Initiative Programme has been launched;

(b) whether the said programme is likely to help the small and medium enterprises; and

(c) if so, the details thereof?

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

(b) Yes, Sir.

(c) The "Investment and Technology Promotion Initiative" (ITPI) has been launched to undertake activities with a view to achieving the following objectives:

1. Assisting entrepreneurs to identify joint venture and technology partners from other countries.
2. Networking of focal points throughout India of public and private sector institutions, active in promotion of business cooperation between Indian firms and foreign firms.
3. Increasing the awareness of services available from UNIDO and its investment promotion services of investment project identification, formulation, screening and evaluation.
4. Organising INTECHMARTS for technology and investment match-making at the State-level.
5. Following up the projects identified for joint venture in the previous INTECHMARTS held at New Delhi in 1995 and 1996.

The Project is for a period of two years starting from 1st May, 1996. The ITPI Project is mainly to promote cooperation between small and medium enterprises for technology transfer and joint ventures. This will contribute to small and medium enterprises development, which in turn will lead to skills upgradation and employment generation having, thus, direct impact on poverty alleviation programme.

Guarantee to W.B. Loan for Infrastructure Products

4469. DR. M.P. JAISWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have charged commission for standing guarantee to the World Bank Infrastructure loan for the development of Industrial Development Bank of India (IDBI);

(b) if so, the details thereof;

(c) whether this condition was imposed by the World Bank; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir. World Bank has not extended any loan to Industrial Development Bank of India for Infrastructure Projects.

(b) to (d). Does not arise.

Commission on Government Debt

4470. SHRI DILEEP SANGHANI:
SHRI KASHIRAM RANA:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned 'Commission on Government debt cost RBI dear' appeared in the Economic Times dated August 4, 1996;

(b) if so, the facts thereof; and

(c) the measures proposed to be taken to remedy the situation?

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

(b) and (c). In March, 1995, the Reserve Bank of India announced a scheme of Primary Dealers in Government securities who would be assigned the task of developing the secondary market in Government securities. With a view to providing some support to Primary Dealers, effective July 10, 1996, Reserve Bank of India announced payment of commission on purchases (including the underwriting commitment) of Primary Dealers of Government securities through subscriptions in all floatations in the Primary market. The cost towards payment of commission is entirely borne by the Reserve Bank. The Reserve Bank has undertaken the provision of commission as part of the cost of developing the market in Government securities.

[Translation]

Incentives to States for Export

4471. SHRI O.P. JINDAL:
SHRI PANKAJ CHOWDHARY:
SHRI KRISHAN LAL SHARMA:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have fixed any export target by the turn of the century;

(b) if so, the details thereof;

(c) whether the Union Government proposes to provide any financial assistance to the State Government for promoting the export;

(d) if so, the details thereof;

(e) if not, the reasons therefor; and

(f) the manner in which the Government propose to involve the State Governments in export promotion?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). A target has been fixed for export growth of around 18-20% per annum for the current financial year and 20% per annum for the Ninth Plan period, 1997-2002, in US Dollars terms.

(c) to (e). A Scheme was launched in 1993-94 under which 18 Export Promotion Industrial Parks (EPIP) have been approved for location in 18 States as industrial enclaves, organised chiefly for export production. Of the infrastructural cost of these Parks, 75% upto a limit of Rs. 10 crores is to be met by the Central Government. So far an amount of Rs. 73.26 Crores has been released to the State Governments towards implementation of these Parks. The Scheme envisages the establishment initially of one EPIP in each State.

During 1996-97 the Government has launched the 'Crucial Balancing Investment Scheme' which envisages balancing capital investments for relieving bottlenecks in infrastructure for export production and conveyance. Proposals identified for assistance under the Scheme including those of State Governments are to be financed by the Ministry of Commerce out of the special funds earmarked for the purpose. A sum of Rs. 25 crores has been earmarked for 1996-97 for the purpose.

(f) The Centre is seeking the participation of States in the provision of infrastructure, input support, reliefs from imposts, removal of constraints etc. in expanding exports. States are also consulted in matters of specific concern to them. In each State one agency has been recognised as Export House in relaxation of the criterion. State Governments have appointed Nodal Officers (Niryat Bandhus) for export promotion.

[English]

Simplification of Exim Policy

4472. SHRI JAGAT VIR SINGH DRONA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have further simplified the Export and Import (Exim) Policy and effected major changes especially in diamonds, gems and jewellery export promotion schemes to boost the export; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). Simplification of the Export & Import Policy is a continuous process which is reviewed from time to time, based on, inter-

alia, inter-action with trade and industry. The revised edition of the Export and Import Policy & Procedures 1992-97, announced on 25.3.1996 consolidated the various amendments in the Policy implemented during 1995-96 to maintain the thrust for export growth and included introduction of Diamond Credit Pass Book Scheme, nomination of State Trading Corporation as one of the nominated agencies for supply of gold/silver to the jewellery exporters and provision for the establishment of private bonded warehouse for supply of rough diamonds to DTA and re-export to third country.

Royalty and Cess on Coal

4473. SHRI PRADIP BHATTACHARYA: Will the Minister of COAL be pleased to state:

(a) whether the Union Government have been denying the due claims of different State Governments for the cess and royalty on coal;

(b) if so, the reasons therefor; and

(c) the details of funds involved for each State concerning the coal royalty and coal cess?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) No, Sir.

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

(c) Royalty on coal is a tax levied as per the rates fixed by the Central Government on tonnage basis on sale of coal but collected by the coal companies from the consumers and paid to the State Governments. The details of royalty payment made during the last three years by Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) to the coal producing States are as under:-

(Rs. in Crores)

State	Amounts of royalty paid		
	1993-94	1994-95	1995-96
West Bengal	10.63	9.59	7.82
Bihar	555.05	613.18	658.33
Orissa	72.82	104.08	180.79
Maharashtra	111.09	159.70	217.90

State	Amounts of royalty paid		
	1993-94	1994-95	1995-96
Madhya Pradesh	369.56	438.91	666.77
Uttar Pradesh	70.59	87.39	113.50
Assam	0.44	0.42	21.59
Andhra Pradesh	291.30	144.53	175.28

Cess on coal is a tax imposed by the State Governments under the respective Cess Acts of the States. Cess is collected ad valorem at the rates fixed by the respective States on pit-head price of coal. The details of cess paid by CIL including adjustments against the coal sale dues during the last three years to West Bengal are as under:-

(Rs. in Crores)

Year	Amount of Cess paid to West Bengal
1993-94	376.96
1994-95	300.16
1995-96	372.05

After 4.4.1991, in view of Supreme Court decision no cess on coal was payable to any State except West Bengal on which matter a case is pending in the Supreme Court.

World Bank Assistance

4474. DR. LAXMINARAYAN PANDEY: Will the Minister of FINANCE be pleased to state:

(a) the names of the projects being implemented in Uttar Pradesh with World Bank assistance;

(b) the details of the sector/field in which these projects are operating; and

(c) the amount released by the World Bank for each project so far?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). The details of the projects being implemented in Uttar Pradesh with World Bank assistance are given below:-

(in US \$ million)

Sl. No.	Name of Project	Sector/Field	Amount	Cumulative Utilisation as on 31-7-1996
1.	UP Sodic Land Reclamation	Agriculture	61.851	13.607
2.	UP Primary Education	Social	181.942	65.395
3.	UP Urban Development	Urban Development	142.190	114.679
4.	UP Rural water Supply & Sanitation	Rural Water Supply	59.6	NIL (Loan became effective on 28.8.96)
MULTISTATE				
5.	Shrimp & Fish Culture	Agriculture	98.475	9.134*
6.	States Roads	Roads	115.000	86.147*
7.	Technical Education	Social	239.490	132.620

* These figures are for the Whole project.

Besides these State/Multistates projects, there are several Central Sector projects being implemented across the country including the state of Uttar Pradesh.

CCS Payments to Exporters

4475. SHRI PRAMOTHES MUKHERJEE: Will the Minister of COMMERCE be pleased to state:

(a) the details of applications/representations received by each of the regional offices of DGFT particularly the Joint Director General of Foreign Trade, Cochin from various exports till August 31, 1996 for releasing the Cash Compensatory Support withheld for long;

(b) whether the Government propose to issue guidelines to settle the issue and to release the arrears of CCS as per the decision taken earlier by this Ministry/DGFT; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) (a) to (c). Cash Compensatory Support (CCS) was withdrawn with effect from 03.7.1991 and the last date for making applications for

CCS against exports made upto 2.7.1991 was 31.12.92. Applications for grant of CCS received by the due date have been disposed of. In some cases where the claims had been rejected, representations/appeals were received for grant of CCS. They were also considered and disposed on merits. In some cases where CCS payments had been made, the Audit had raised objections some of which were taken up with the Audit and the position clarified. Wherever the Audit did not agree to drop the objections, recoveries were made by inter-alia, adjustments against other pending claims. In so, far as Office of the Jt. DGFT, Cochin is concerned, according to available information, during the period 01.4.1996 to 31.7.1996 the said office had received a representation in this regard from M/s Balmer Lawrie & Co., a Public Sector Undertaking. In this case, the Principal Director of Audit, Madras had raised an Audit, Objection on overpayment of CCS to the company. The Govt. had taken up the matter with the Principal Director of Audit, Madras who confirmed the objection. Consequently, the overpayment of CCS was adjusted against other pending claims of the party and the audit objection has accordingly been settled.

High Court Benches

4476. SHRI A. SAMPATH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of High Court Benches in the country, State-wise;

(b) whether the Government have received some demands for establishing additional benches;

(c) if so, the details thereof; and

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

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP): (a) A statement showing the requisite information is attached

(b) to (d). No specific, complete proposal has been received from any State Government, in consultation with the Chief Justice of the concerned High Court, for establishing a bench of the High Court away from its principal seat.

STATEMENT

Name of the State/ Union Territory	Name of the High Court	Name of the Bench
1	2	3
Uttar Pradesh	Allahabad	Lucknow
Madhya Pradesh	Madhya Pradesh	Gwalior Indore
Maharashtra	Bombay	Nagpur Aurangabad
Bihar	Patna	Ranchi
Rajasthan	Rajasthan	Jaipur
Goa	Bombay	Panaji
Nagaland	Gauhati	Kohima
Mizoram	Gauhati	Aizawl
Manipur	Gauhati	Imphal
Tripura	Gauhati	Agartala
Meghalaya	Gauhati	Shillong

Sick Industries with B.I.F.R.

4477. DR. DEBI PROSAD PAL:
SHRI N.J. RATHWA:
SHRI MOHAMMAD ALI ASHRAF FATMI:

Will the Minister of FINANCE be pleased to state:

(a) the number of sick industrial units referred to and registered with Board for Industrial and Financial Reconstruction (BIFR) since its inception, State-wise, with particular reference to West Bengal;

(b) the number of references disposed of, year-wise, alongwith details and the number of cases still pending,

(c) the number of companies revived after implementation of revival schemes by BIFR, year-wise;

(d) whether the banks/financial institutions have provided facilities including reliefs/concessions to such units in terms of sanctioned scheme recommended by BIFR,

(e) if not, the number of such cases recorded so far and the remedial steps taken or proposed to be taken in this regard; and

(f) the measures being taken for disposal of cases speedily?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The Board for Industrial and Financial Reconstruction (BIFR) has reported that upto 31.07.1996, 2595 references received by it, out of which 1807 references were registered under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The State-wise details of cases registered with BIFR as on 31.07.1996 including that of West Bengal are given in the attached statement.

(b) BIFR has reported that out of 1807 references registered with it upto 31.07.1996, 1435 cases have been disposed of while cases of 372 sick industrial companies were pending with BIFR. The details of cases disposed of are as under:

Cases dismissed as non-maintainable	404
Rehabilitation schemes sanctioned	435
Winding up recommended to concerned High Court	452
Cases declared no longer sick	125
Cases dropped after net worth became positive	19

(c) BIFR has further reported that upto 31.07.1996, 125 sick industrial companies have been declared as no longer sick and are out of purview of BIFR after successful implementation of revival schemes sanctioned. Year-wise details of such companies are as follows:

Year	No. of Companies
1987	Nil
1988	7
1989	11
1990	10
1991	33
1992	3
1993	22
1994	19
1995	20
1996	50

(d) and (e). Where a scheme for rehabilitation of sick company is approved/sanctioned by the BIFR under section 17(2) or 18(4) of SICA, it is binding on all the parties concerned including banks/financial institutions to provide facilities in terms of the sanctioned scheme. In case of failure to comply with the provisions of a sanctioned scheme, BIFR has powers to invoke penal provisions as provided under section 33 of SICA. As on 30.06.1996, BIFR had issued show-cause notices to banks/financial institutions concerned in respect of nine cases to explain the delay in complying with the provisions of the sanctioned scheme.

(f) BIFR has reported that it has streamlined its procedures, has reduced the time lag in hearing and has shortened the overall duration of proceedings to ensure expeditious disposal of cases.

STATEMENT

Sl. No.	State	No. of cases registered
1.	Andhra Pradesh	211
2.	Assam	8
3.	Bihar	55
4.	Chandigarh	2
5.	Dadra & Nagar Haveli	4
6.	Goa, Daman & Diu	6

Sl. No.	State	No. of cases registered
7.	Gujarat	164
8.	Haryana	56
9.	Himachal Pradesh	35
10.	Jammu & Kashmir	6
11.	Kerala	64
12.	Karnataka	119
13.	Madhya Pradesh	92
14.	Maharashtra	283
15.	NCT of Delhi	12
16.	Nagaland	1
17.	Orissa	35
18.	Pondicherry	10
19.	Punjab	54
20.	Rajasthan	85
21.	Tamil Nadu	143
22.	Tripura	1
23.	Uttar Pradesh	185
24.	West Bengal	176
Total		1807

Adoption of Eco-friendly Technologies

4478. SHRI MADHAVRAO SCINDIA: Will the Minister of TEXTILES be pleased to state:

(a) the steps taken by the Government so far to ensure that the textile-mills under NTC and other mills adopt eco-friendly technologies and ensure treatment of all polluting effluents in pursuance of the global agreement for adoption of eco-friendly technologies;

(b) the progress made in this direction indicating the number of textile mills in different States especially Maharashtra, Gujarat, Madhya Pradesh and Orissa which

have adopted such measures and those which have not so far adopted them; and

(c) the expenditure incurred so far during each year on such measuring?

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

[Translation]

Exporters' Grievances Redressal Cell

4479. SHRI D.P. YADAV: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have set up an Exporters' Grievances Redressal Cell;

(b) if so, the details thereof;

(c) whether the Grievances and suggestions of exporters are not being looked into within the prescribed time;

(d) if so, the reasons therefor;

(e) the action taken by the Government to remedy the situation; and

(f) the extent to which the Government have achieved the objectives of the above cell?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). Yes Sir. An Exporters' Redressal Cell (ERC) has been formed to entertain and monitor disposal of suggestions and difficulties of exporters and to facilitate early action on such issues.

(c) to (e). While no time frame can be indicated for policy issues, specific grievances are endeavoured to be disposed of within four weeks. The progress of disposals is also monitored through intra and inter-ministerial meetings.

(f) The healthy growth of Indian exports is a measure of activities of ERC and other export promotional steps taken by the Government.

[English]

Protocol System

4480. SHRI PRAMOD MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued any instructions

or guidelines to Customs authorities at airports to check misuse of protocol system and evasion of custom duty;

(b) if so, details thereof;

(c) the details of such cases where the protocol system has been misused in evading custom duty at Indira Gandhi International Airport, Delhi during 1995 and in 1996 so far; and

(d) the extent to which the authorities have been able to check such irregularities at the airport?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). The Protocol facilities are extended to VIPs, such as Ministers, Members of Parliament, Judges of Supreme Court and High Courts, persons of eminence in any prominent field, other dignitaries, Senior Civil Servants and to children and aged and impaired passengers for expeditious clearance of their baggage, after securing compliance with normal customs procedure and payment of customs duty wherever required. Instructions already exist for dealing with cases of misuse of facilities provided at the Airports and cases of evasion of customs duties wherever noticed are dealt with according to the law.

(c) A statement giving details of cases where extension of a protocol facilities occasioned payment of customs duty and other penal action is enclosed herewith.

(d) There is no large scale abuse of Protocol System. With a view to prevent smuggling and evasion of customs duty, the department has set up at each Airport an Intelligence Unit staffed by trained and experienced officers who provide inputs for purpose of customs checks of passengers, including V.I.Ps. In addition, X-Ray Machines have been installed at all Major International Airports which are used for screening the passengers' baggage on the basis of Intelligence as well as random selection.

STATEMENT

I. On 7-11-1995 Shri Kamal Nath, former Minister of Textile arrived from abroad. His P.S., who was present to collect the Baggage, reported with Baggage in dutiable channel (Red Channel) for payment of duty and declared the contents as crockery and cut glasses. The Baggage was examined and a duty of Rs. 1,11,217/- was collected. In addition, Redemption fine of Rs. 25,000/- and penalty of Rs. 10,000/- was imposed. However, on appeal the said order was set aside by the Appellate Authority on 10-5-1996.

II. On 13-5-1996, a Vietnamese Diplomat named Mr. Pham Trong Duong from Vietnamese Embassy came to receive a passenger named Mr. Trong Minh Tam. Gold weighing 13.118 Kgs. valued at Rs. 70,18,130/- was seized from the said passenger. The passenger has been arrested and further proceedings as under Law is in progress. The

Diplomat has been sent back to his country by the Vietnamese Embassy.

Assistance to Industries by IDBI

4481. SHRI AMAR PAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) the amount of financial assistance provided to industries by the Industrial Development Bank of India during each of the last two years and upto 31st July, 1996; and

(b) the details of such industrial units, State-wise and Union-Territory-wise?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Details of financial assistance provided to industries under direct finance schemes by the Industrial Development Bank of India (IDBI) during 1994-95, 1995-96 and April-June 1996 (latest available) are as under:

(Rs. crore)		
Year	No. of Units	Amount disbursed
1994-95	1797	9334.1
1995-96	1257	9229.2
April-June 1996	125	1511.5

(b) State-wise/Union-Territory-wise details of such industrial units are given in the attached statement.

State-wise/Union Territory-wise Details of Industries assisted by IDBI during 1994-95, 1995-96 and April-June 1996

Sl. No.	Name of the State/ Union Territory	No. of Units		
		1994-95	1995-96	April-June 1996
1.	Andhra Pradesh	150	122	40
2.	Arunachal Pradesh	1	1	0
3.	Assam	10	17	0
4.	Bihar	14	14	1
5.	NCT of Delhi	83	31	2
6.	Goa	5	3	1
7.	Gujarat	211	138	23

Sl. No.	Name of the State/ Union Territory	No. of Units		
		1994-95	1995-96	April-June 1996
8.	Haryana	35	35	3
9.	Himachal Pradesh	18	15	0
10.	Jammu & Kashmir	2	4	0
11.	Karnataka	84	75	8
12.	Kerala	28	22	3
13.	Madhya Pradesh	67	66	4
14.	Maharashtra	386	246	25
15.	Manipur	0	0	0
16.	Meghalaya	1	0	0
17.	Mizoram	0	0	0
18.	Nagaland	0	0	0
19.	Orissa	21	10	0
20.	Punjab	52	32	2
21.	Rajasthan	116	83	7
22.	Sikkim	0	0	0
23.	Tamil-Nadu	249	152	14
24.	Tripura	0	0	0
25.	Uttar Pradesh	119	97	7
26.	West Bengal	101	64	7

Union Territories

1.	Andaman & Nicobar Islands	0	0	0
2.	Chandigarh	2	1	1
3.	Dadra & Nagar Haveli	27	18	2
4.	Daman & Diu	9	5	1
5.	Lakshadweep	0	0	0
6.	Pondicherry	6	6	0

[Translation]

Foreign Capital Investment

4482. SHRI MOHAMMAD ALI ASHRAF FATMI: Will the Minister of INDUSTRY be pleased to state:

(a) the total capital invested by the N.R.Is in the country and its value in foreign exchange and in Indian currency, separately;

(b) whether N.R.Is are not interested in investing their capital in India;

(c) if so, the reasons therefor; and

(d) the steps being taken by the Government to make N.R.Is to invest more in India?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Since the announcement of New Industrial Policy in July 1991, till 31.5.96, proposals involving Non-Resident Indian (NRI) investment approved by Government in foreign currency is equivalent to Rs. 20868.80 crores.

(b) and (c). No, Sir. NRI investment is increasing steadily, ever since the announcement of New Industrial Policy.

(d) Government has taken a number of steps to boost NRI investment. In certain selected sectors, 100% NRI equity is permissible with full repatriation benefits.

Consideration of Block Instead of District for Backwardness

4483. SHRI KASHIRAM RANA:
SHRI MAHESH KUMAR M. KANODIA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government of Gujarat has sent any proposal to Union Government regarding considering block instead of district as backward;

(b) if so, the details thereof; and

(c) the steps taken to take decision on the said proposal?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Industry Ministry have not received any such proposal.

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

Sick Tea Gardens

4484. SHRI KACHARU BHAU RAUT: Will the Minister of COMMERCE be pleased to state:

(a) the total number of tea gardens in the country alongwith the details thereof;

(b) whether several tea gardens are in the state of sickness;

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

(d) the steps taken by the Government to make them viable?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) There are 13,936 gardens registered with the Tea Board. Statement indicating State-wise details of these tea gardens is enclosed.

(b) to (d). As per the survey carried out by Tea Board. State-wise details of these tea gardens are as follows:-

State	No. of week tea gardens	No. of closed tea gardens
Assam	47	5
West Bengal	41	4
Tripura	14	-
Kerala	8	1
Tamilnadu	4	-
Total	114	10

The problems faced by sick and weak tea gardens are quite complex arising out of the diverse causes such as managerial/financial mismanagement, protracted litigation etc. These have been discussed with the commercial banks under the aegis of Tea Board to facilitate funding and related measures. The incidence of sickness/weakness of tea gardens has decreased owing to improved economic conditions and stability in tea prices.

STATEMENT

State-wise Details of the tea gardens registered with Tea Board

State	Number of tea gardens registered with Tea Board
Assam	850
West Bengal	347

State	Number of tea gardens registered with Tea Board
Tripura	57
Bihar	1
Uttar Pradesh	8
Himachal Pradesh	1660
Manipur	4
Sikkim	1
Arunachal Pradesh	14
Nagaland	5
Orissa	1
Total North India:	2948
Tamil Nadu	6845
Kerala	4106
Karnataka	37
Total South India	10,988
All India	13,936

Source: Tea Board

[English]

Bank Deposits in Madhya Pradesh

4485. SHRI THAWAR CHAND GEHLOT: Will the Minister of FINANCE be pleased to state:

(a) the reasons for constant reduction in the ratio of amount deposited in Nationalised Banks of Madhya Pradesh since 1989-90 onwards;

(b) whether the ratio of amount deposited in Banks during 1989-90 was 68.66% while the same has come down to 56% in 1994-95; and

(c) if so, the action being taken by the Government to improve the situation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). The Credit Deposit Ratio (CDR)

of nationalised banks in Madhya Pradesh from March, 1990 to March, 1996, as available from Reserve Bank of India (RBI) is given below:

Period	CDR (%)
March 1990	61.5
March 1991	57.8
March 1992	56.0
March 1993	55.7
March 1994	49.5
March 1995	46.6
March 1996	49.9

The CDR in a particular State or Region depends not only on the effort made by the banks but also on various other factors such as credit absorption capacity, infrastructural support and the overall policy framework in the region. RBI have advised the banks that they should achieve a CDR of 60 per cent in respect of their rural and semi-urban branches, separately on an All India basis. Banks have also been advised that while it is not necessary that this ratio should be achieved separately branch-wise, district-wise or region-wise, the banks should nevertheless ensure that wide disparity in the ratios between different State/Regions is avoided in order to minimise imbalances in credit deployment.

Purchase of Public Sector Bonds by Banks

4486. SHRI TARIQANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have banned commercial banks from buying public sector bonds;

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

(c) whether banks have also been prohibited from investing funds in the certificate of deposits; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). No, Sir. Under the extent instructions issued by Reserve Bank of India (RBI), banks are permitted to invest in public sector bonds without any ceiling subject to observance of prudential limits for credit exposure for a single borrower or a group of borrowers. In response to queries from some banks, RBI have advised that they should not acquire capital market instruments including PSU bonds, in the secondary market. This was done

with a view to discourage banks from trading in such securities.

(c) and (d). RBI have reported that banks have also not been prohibited from investing funds in the Certificate of Deposits.

Policy on linking trade to labour standards or environmental issues under W.T.O.

4487. SHRI BIJOY HANDIQUE: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have formulated any policy on the issues of linking trade to labour standards or environmental issues as developed countries intend to make this a major affair at the forthcoming Singapore conclave of the World Trade Organisation;

(b) whether the Government have also taken any positive steps in this regard to return its image; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (c). At the forthcoming Singapore Ministerial Conference (SMC) of the World Trade Organisation (WTO) scheduled to be held in December, 1996, a report on trade and environment is to be placed before the Ministers for further directions. India is actively participating in the preparation of this report in the Committee on Trade and Environment of the WTO.

The linkage of trade to labour standards is a new issue proposed to be raised at the SMC by some developed countries. However, a large number of developed and developing countries including India, are opposed to this issue being included in the SMC agenda.

Supply of Coal to Chandrapur Thermal Power Station

4488. SHRI BANWARI LAL PUROHIT: Will the Chandrapur Thermal Power Station in Vidarbha is linked to Western Coalfields Limited;

(b) if so, the requirement of coal for this power station from Western Coalfields Limited per day;

(c) whether the supply of coal has come down during the month of August, 1996;

(d) if so, whether the production of coal in the said coalfields has gone down significantly and if so, the reasons therefor; and

(e) the action taken by the Coal India Limited to meet the commitment of coal supplies to power stations of Maharashtra?

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

(b) The linkages to thermal power stations are sanctioned by the Standing Linkage Committee on the recommendations made by the Central Electricity Authority after taking into account availability, transport constraints, targets for power generation etc. Linkages are accorded for monthly quantities and not on a daily basis. From April to June, the monthly linkage to this power station was 8.50 lakh tonnes per month. For July to September the linkage sanctioned was 7.50 lakh tonnes per month.

(c) In the month of August against the prorata linkage of 5.81 lakh tonnes upto 24th August, 96, the supplies for the same period have of the order of 3.61 lakh tonnes (provisional) for the following reasons:

- (i) Owing to poor wagon unloading performance by the power house, railways had regulated the supply of coal to Chandrapur TPS and diverted this coal to other power houses of Maharashtra State Electricity Board such as Nasik and Parli.
- (ii) Due to derailment in the MGR system operated by the power house, it could lift only 60% of the linked quantity.
- (iii) Less by this system lifting of coal by this power house through their own ropeway.
- (iv) Non lifting of linked quantity by road by the power station authorities.
- (v) During August, 1996 Unit No. 6 (500 MW) was under maintenance resulting in less consumption of coal.

(d) No, Sir. Production of coal in WCL has exceeded the target fixed for the period April-August 1996. The production during this period also shows a growth of 12% over the production achieved during the corresponding period last year.

(e) Coal supplies to power houses is accorded highest priority. Supply of coal to the power sector is monitored regularly by an Inter-Ministerial Group and corrective action is taken wherever necessary.

Registration of Fake Companies

4489. SHRI SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) the number of fake Companies detected by the Registrar of Companies during each of the last three years;

(b) the action taken by the Government against these companies;

(c) the details of manner in which investors were duped and later on compensated; and

(d) the remedial measures taken to curb this menace in future?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d). Section 631 of the Companies Act, 1956, provides that any person or persons who trade or carry on business under any name or title of which the last word or words are 'Limited' or 'Private Limited', unless duly incorporated under the said Act, shall be punishable with fine not exceeding Rupees Fifty for every day upon which that name or title has been used.

During the last three financial years, prosecutions have been filed in two such cases in 1993-94.

Infrastructural Development

4490. SHRI TH. CHAOBA SINGH: Will the Minister of INDUSTRY be pleased to state:

the details of investment made by the Union Government in Central Public Sector Undertakings in North Eastern States during Seventh and Eighth Five Year Plans?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): The investment made by Central Government in Central Public Sector Undertakings located in North-Eastern states during the Seventh Five Year Plan and First three years of Eighth Five Year Plans were Rs. 3022.96 crores and Rs. 4894.92 crores respectively.

Contract Labourers in CIL

4491. SHRI HARADHAN ROY: Will the Minister of COAL be pleased to state:

(a) whether contract labourers are still engaged in different subsidiaries of Coal India Limited;

(b) if so, the number of such labourers working in CIL at present and during each of last three years, subsidiary-wise;

(c) the number of contract Labourers regularised during each of the last three years, subsidiary-wise;

(d) the reasons for not regularising the rest contract labourers so far; and

(e) the time by which they are likely to be regularised?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Coal India Limited and its subsidiaries do not engage any labour on contract for execution of work of permanent and perennial nature.

However, jobs which do not fall under the prohibited categories under Section-10 of the Contract Labour (Regulation & Abolition) Act, 1970 are awarded to contractors who engage their own workers.

(b) to (e). Do not arise.

Burn Standard Co.

4492. SHRI JAYANTA BHATTACHARYA: Will the Minister of INDUSTRY be pleased to state:

(a) whether attention of the Government has been drawn towards the present condition of Burn Standard Co. Limited's Off-shore Project Unit at Jellingham, West Bengal;

(b) if so, the details thereof; and

(c) the steps being taken towards revival of the said unit?

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

(b) and (c). Lack of infrastructural facilities and lack of adequate orders are mainly responsible for the inadequate performance of off-shore division. BSCL is presently before BIFR and a revival scheme is under preparation which would inter alia examine the problems of off-shore division for viable solutions.

Diversion of Goods

4493. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of COMMERCE be pleased to state:

(a) whether Reserve Bank of India has taken serious note of increase in number of illegal diversion of goods meant for Russia under debt repayment funds to third countries;

(b) if so, the details thereof;

(c) whether any concrete steps in this regard have been taken by the Government;

(d) if so, the details thereof;

(e) whether India has pointed out that Russian agencies should keep the Indian Government informed of various developments relating to allocation of rupee funds so that these could be monitored effectively by both sides; and

(f) if so, the extent to which both the countries have been able to check the situation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). Yes, Sir. On detection of such cases, Reserve Bank of India

has been bringing the matter to the notice of appropriate authorities. Such cases of diversion as reported to the Government are investigated by the Ministry of Finance.

(c) and (d). Recently on a report of diversion of consignment of coffee meant for export to Russia under the debt repayment track, the Coffee Board has taken the following remedial steps on immediate basis:-

- (i) All the exporters who have shipped coffee to Russia after 1.4.96 were requested to furnish corresponding landing certificates along with customs clearance certificates;
- (ii) The exporters were also warned not to divert coffee from the destinations mentioned in the permits;
- (iii) The exporters were further requested not to use the balance permits issued to them by the Board for export to Russia until they furnish landing proof for all the quantity for which proof of export had been submitted;
- (iv) All the major ports and customs authorities have been requested by the Board not to allow any shipments to Russia without prior clearance from the Coffee Board. A list of pending permits along with exporterwise details were also furnished to the port authorities;

Moreover, it has also been informed by the Coffee Board that hence-forth the Board is stipulating on the permits as well as on the certificate of origin that the "Country of destination not changeable to other than the country of destination for which the permit was issued. The Board has also made it mandatory that exporters shall furnish landing certificates with customs clearance certificates for all exports meant for Russia under the debt repayment route.

In addition, the Government of India also contemplates the following remedial measures for preventing diversion of export consignments meant for Russia under the debt repayment track:-

- (i) Export through consignment sales by way of customs bonded warehouses;
- (ii) Working towards a bilateral agreement between India and Russian on Cooperation and Mutual Assistance in Customs matters;
- (iii) insistence on the Russian side for providing satisfactory proof of landing.

The Government of Russian Federation has also introduced a new scheme called the "Passbook Scheme for Import" for preventing loss of revenue due to switch trade and

this measure is expected to curb diversion of export consignments meant for Russia.

(a) and (f). The need for effective monitoring and greater cooperation in these matters was emphasized by the Indian side through diplomatic channels and the Russian side have promised to cooperate in the matter. Moreover, finalisation of the proposed bilateral agreement between India and Russia for Cooperation and Mutual Assistance in customs matters is expected to contribute to the resolution of the problems in this regard to a significant extent.

Cost of Production of Cement

4494. DR. KRUPASINDHU BHOI: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to reduce the cost of production of cement industry;

(b) if so, the steps being taken in this regard;

(c) the steps being taken to increase the production of cement; and

(d) the target fixed for the Eighth Plan?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). While there is no specific Government programme to reduce the cost of production of cement, Government is encouraging research and development, modernisation, upgradation of technology, improvement of fuel efficiency etc. which result in higher productivity and reduction in cost of production.

(c) Cement Industry has been delicensed and decontrolled. The industry has been put in the priority list for foreign investment and technical collaboration. Two lines of Credit of the World Bank extended to the Cement Industry have resulted in substantial addition to the installed capacity and modernisation of the cement industry. The industry has been made eligible for ADB line of Credit provided recently. Government is also providing coal linkage and allocating rail wagons to the industry on a priority basis.

(d) A production target of 76 million tonnes of cement has been fixed for the terminal year of the Eighth Five Year Plan.

Programmes for Backward Areas

4495. SHRI N. DENNIS: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have evolved programmes for the industrialisation of rural and backward areas; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Promotion of industries in the rural and backward areas is primarily the responsibility of the State Governments. The Central Government however, supplements the efforts of the State Governments by facilitating the availability of finance, raw material, technology, marketing and creation of institutional infrastructure.

The Central Government evolves broad policy framework for development of village, cottage and Agro Industries in rural and backward areas. The various agencies of the Central Government such as Ministry of Rural Areas and Employment, Ministry of Industries, Development Commissioner for Small Scale Industries, Development Commissioner for Handlooms, Development Commissioner for Handicrafts and Sericulture Board undertake the promotion and development of rural and village industries. At the district level, there are 422 District Industries Centres which are extending comprehensive services and facilities for setting up industries in the rural areas and ensure close linkage with the agencies engaged in rural development.

At the national level, Khadi and Village Industries Commission (KVIC), which is a statutory organisation, is charged with the responsibility of promotion and development of 96 village industries coming under their purview. These industries are spread throughout the country. In accordance with the recommendations of the High Power Committee on Khadi and Village Industries the KVIC has taken up intensive development of these village industries and separate fund has been earmarked for this purpose. There are various special programmes launched by KVIC for this purpose such as Special District Employment Programme, Block Development Programmes, Special Project Programmes etc., under which industries are encouraged in the rural areas.

Under the programme for backward area, Government is looking after the implementation of Growth Centre Scheme, 1988, under which it is proposed to set up 71 growth centres in the country during the Eighth Five Year Plan. Each of the Growth Centre would be developed at an estimated cost of about Rs. 25 to 30 crores and would be endowed with basic infrastructure facilities like power, water, banking and telecommunication for enabling them to attract the industries. The Central Government's contribution towards each Centre would be Rs. 10 crores. The allocation of Growth Centres to the States, has been made on the basis of combined criteria of population and the extent industrial backwardness in the State.

There is also a scheme called Integrated Infrastructure Development (IID) with focus on exclusively for small industrial units in rural backward areas, preferably, agro based industries. Under IID, the industrial areas specifically developed with facilities such as land, plots, water supply, power connection, drainage, common facilities including testing are to be set up. The cost of each project is Rs. 5 crores with Central grant of Rs. 2 crores and balance Rs. 3 crores given as loan by SIDBI and other financial institutions/

banks. State Governments will provide 20 hectares of land in rural/backward areas.

Delicensing of Industries

4496. SHRI V.M. SUDHEERAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to delicense 10 industries including alcohol and cigar, and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). At present there is a short list of 15 industries under compulsory licensing. The process of reviewing the list of items retained under compulsory licensing is an ongoing process. However, no decision has yet been taken by the Government to further delicense any industry including alcohol and cigar.

New Industrial Units

4497. SHRI ANAND RATNA MAURYA: Will the Minister of INDUSTRY be pleased to state:

(a) whether registration of new Industrial units is done in Delhi only

(b) if so, the details thereof;

(c) whether the Government propose to decentralise the registration procedure in order to mitigate the difficulties of entrepreneurs who have to travel from far flung areas to Delhi for such work;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (e). With the announcement of New Industrial Policy in July, 1991 for setting up industrial units in delicensed sector, entrepreneurs are required to file Industrial Entrepreneurs Memorandum (IEM) in terms of Notification No. 477 (E) dated 25.7.91. A computerised running acknowledgement number is given to each IEM filed at Entrepreneurial Assistance Unit, Udyog Bhavan, New Delhi. The IEMs received by post are also acknowledged the same way and acknowledgements are sent by registered post. It is thus not necessary for the entrepreneur to come personally to file the IEM.

Performance of Banks in Orissa

4498. SHRI RANJIB BISWAL: Will the Minister of FINANCE be pleased to state:

(a) the number of private and nationalised banks in Orissa as on date;

(b) the total amount of deposits in these banks during 1994-95 and 1995-96, and the amount of loan granted by these banks to the people of the State with particular reference to Kalahandi and Nuapara districts;

(c) whether these banks achieved the targets of deposits and disbursement of loan; and

(d) if not, the reasons therefor and the number of total beneficiaries of the State provided loan during the above period?

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

Lalmatia Colliery

4499. SHRI SHIBU SOREN: Will the Minister of COAL be pleased to state:

(a) the area of land acquired and likely to be acquired by the Government for the Lalmatia Colliery, E.C.L. at Jharkhand in Bihar;

(b) the rate of land compensation given to the villagers and the reasons for lower rate of compensation than the market rate;

(c) whether the land acquired by the Government for Lalmatia Colliery is on permanent basis or there is planning to hand it over to land owners for cultivation after completion of mining operation; and

(d) the details of the Government's policy in this regard and the policy in respect of rehabilitation of oustees as a result of this project?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) At present there is no mine called Lalmatia. In Lalmatia region Rajmahal opencast project is being worked.

Till date total land taken into physical possession is 785.91 hectares. For the balance life period of the project 1043 hectares of land is likely to be acquired under CBA Act and LA Act for mining and rehabilitation purposes as per Project Report.

(b) Land compensation is determined as under:

Updated rate from district authorities as per provisions of LA Act is taken in respect of support price of paddy as fixed

by Agricultural Price Commissions, New Delhi from time to time. To this, 30% is added as solatium plus 12% escalation per year (not more than one year) plus interest accrued if any (First year 9% and balance 15% per annum). Based on these data final land compensation rate per acre is calculated which give the rates as per provisions of CBA Act

(c) and (d). Land acquired by the project under CBA Act or under LA Act is on permanent basis as per the provisions of the Act. As regards returning of the land, after mining operation to erstwhile land owners there is no such provision in the Act.

As regards rehabilitation, Rajmahal project has a plan for phased rehabilitation of villagers as per requirement of mine operation.

Rehabilitation benefits have been finalised in an Agreement entered between ECL and oustees in the presence of district authorities after detailed and extensive negotiation involving the people's representatives.

C.D. Ratio of Banks in Rajasthan

4500. SHRI TARACHAND BHAGORA: Will the Minister of FINANCE be pleased to state:

(a) whether a Task Force to ascertain the reasons for low Credit Deposit Ratio and to suggest measures for improvement therein was constituted by the RBI for the State of Rajasthan;

(b) if so, whether the Commercial Banks operating in the State have been following the recommendations of the Task Force;

(c) if not, the action taken against the defaulting Banks in that regard;

(d) whether the Government of Rajasthan have impressed upon the banks to increase the investment in the State; and

(e) if so, the action taken by the RBI and the Union Government thereon?

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

(c) Does not arise.

(d) and (e). The Government of Rajasthan has been impressing upon the banks to increase the investment in the State. The issue relating to C:D Ratio is also discussed at various State level fora.

[Translation]

Foreign Investment

4501. SHRI JAGDAMBI PRASAD YADAV: Will the Minister of INDUSTRY be pleased to state:

(a) whether as a result of liberalisation and opening the door for foreign investment the various State Governments had gone abroad to invite foreign investment; and

(b) the details of States which got success in this regard and the extent thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) As per information available with the Ministry, delegations from various State Governments have gone abroad for purposes of attracting foreign direct investment in the State.

(b) The details of success by various State Governments in this regard and the inflow of foreign direct investment as a result of such foreign visits is not separately maintained by this Ministry.

[English]

Supply of Coal by C.I.L.

4502. SHRI B. DHARMABIKSHAM: Will the Minister of COAL be pleased to state:

(a) whether the Coal India Ltd. is capable to meet the requirement of coal to the cement and steel Industries;

(b) if not, the reasons therefor; and

(c) the steps taken for adequate supply of coal to those industries?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c). There is a gap between demand and availability of coking coal required for metallurgical purpose including that of the steel sector. Domestic production of coking coal of the quality required for the metallurgical use is not adequate to meet the domestic demand and this gap has to be bridged by imports. Some import of superior grade of coking coal is also necessitated for blending purposes on quality considerations.

Modernisation of existing washeries as well as construction of new washeries is being taken up to augment availability of indigenous coking coal supplies to steel plants.

As a result of the higher priority given for supply of coal to the power sector and as a result of transport constraints, supplies of coal to the industrial consumers including that to cement plants has been affected.

Coal companies are, however, endeavouring to meet the requirements of all consumers in the country including cement plants by increasing production of coal. In addition coal from a number of collieries is being offered under the Liberalised Sales Scheme (LSS) under which scheme coal is supplied without the requirement of linkages/sponsorships. Option of import of coal is also available. Cement plants are also allowed to take up mining for coal for their captive consumption.

Export and Import Growth of STC/MMTC

4503. SHRI P.R. DASMUNSI:
DR. KRUPASINDHU BHOI:
SHRI T. GOPAL KRISHNA.

Will the Minister of COMMERCE be pleased to state:

(a) the export and import growth of State Trading Corporation and the Minerals and Metals Trading Corporation of India Ltd. during each of the last three years;

(b) whether the working and profitability of State Trading Corporation and the Minerals and Metals Trading Corporation of India Ltd. is far from satisfaction.

(c) if so, the reasons therefor;

(d) whether the Government have reviewed the functioning of the Minerals and Metals Trading Corporation of India Ltd. (MMTC) and the State Trading Corporation (STC).

(e) if so, the details thereof; and

(f) the steps taken by the Government to make MMTC and STC economically viable and profitable?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) The export and import effected by State Trading Corporation (STC) and the MMTC Ltd. during each of the last three years is as follows:-

Year	(Rs. crores)			
	MMTC		STC	
	Export	Import	Export	Import
1993-94	1371.3	1699.3	798	239
1994-95	1368.3	3662.1	806	965
1995-96(P)	1320.0	4390.0	749	858

(b) and (c). The working and profitability of STC/MMTC is satisfactory. Despite decanalisation of some major items, increase in global competition, STC and MMTC have diversified their activities and increase their non canalised

turnover. Both the Corporation have earned profits and paid dividends to the Government.

(d) to (f) Consequent upon the decanalisation of import and export of a number of items, Government have been reviewing the need to re-orient STC/MMTC in a manner consistent with the liberalised economy and a competitive environment. STC/MMTC are diversifying their operations through:

- increased emphasis on direct buying and selling.
- strengthening their overseas marketing network;
- entering into joint ventures;
- undertaking open general licence (OGL) imports;
- expanding domestic trading.

Supply of Coal

4504. SHRI DARBARA SINGH: Will the Minister of COAL be pleased to state:

(a) whether a number of industries in Punjab are at the verge of closure due to non supply of coal;

(b) if so, the reasons for which Union Government not supplying coal to such industries; and

(c) the steps taken by the Government to supply adequate coal to such industries?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b). No report has been received that industries in Punjab are on the verge of closure due to non-supply of coal.

However, as a result of a higher priority given for supply of coal to the power sector, and as a result of a sharp increase in the demand of coal from this sector, supplies of coal to the industrial consumers has been affected. The total supplies to consumers other than the power sector in Punjab which was 10.47 lakh tonnes (provisional) in 1994-95 has gone down to 6.85 lakh tonnes (provisional) in 1995-96. The total despatch to all the consumers including that of the power sector in Punjab has, in 1995-96 however, increased to 70.68 lakh tonnes (provisional) as against the despatches of 69.16 lakh tonnes (provisional) in 1994-95.

(c) Coal companies are endeavouring to meet the requirements of coal of all consumers in the country including that of consumers in Punjab by increasing production of coal. In addition, coal from a number of collieries is being offered under the Liberalised Sales Scheme under which scheme coal is supplied without the requirements of linkages/sponsorships.

Preparation of Bank Drafts by S.B.I.

4505. KUMARI SUSHILA TIRIYA: (a) Will the Minister of FINANCE be pleased to state:

(a) whether State Bank of India is facing acute shortage of Bank drafts containing denomination of series amounting from Rs. 1000, to Rs. 9,999;

(b) if so, the details thereof;

(c) whether customers are being forced to get their drafts prepared from other banks; and

(d) if so, the reasons thereof and the remedial steps taken in regard thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). State Bank of India (SBI) have reported that there is no acute shortage of TT series Bank drafts (denomination Rs. 1000/- to Rs. 9999/-) as their branches store adequate number of blank draft forms. SBI have further reported that whenever there is a certain spurt of demand of drafts in any area/pocket immediate arrangement is made by them to ensure supply of adequate quantities of drafts to the concerned Circle Stationery Department who are the agency for control and distribution of security forms to the branches under each Local Head Office.

(c) No such specific report is available in this regard with S.B.I.

(d) Does not arise.

Foreign Investment in India by UNIDO

4506. DR. M. JAGANNATH: Will the Minister of INDUSTRY be pleased to state:

(a) the details of the new programmes launched by United Nations Industrial Development Organisation to promote foreign investment in India; and

(b) the extent to which it is likely to help small and medium enterprises in locating their right partner for investment and joint ventures?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). With the assistance of Ministry of Industry, Government of India, United Nations Industrial Development Organisation (UNIDO) has recently launched a new programme called "Investment & Technology Promotion Initiative" (ITPI). Under this programme, a separate ITPI Office will be set up at New Delhi under the supervision of UNIDO Country Director to undertake certain activities with a view to achieving the following objectives:

1. Assisting entrepreneurs to identify joint venture and technology partners from other countries.
2. Networking of focal points throughout India of public and private sector institutions, active in promotion of business cooperation between Indian firms and foreign firms.
3. Increasing the awareness of services available from UNIDO and its investment promotion services in developed and developing countries in the area of investment project identification, formulation, screening and evaluation.
4. Organising INTECHMARTS for technology and investment match-making at the State-level.
5. Following up the projects identified for joint venture in the previous INTECHMARTS held at New Delhi in 1995 and 1996.

The Project is for a period of two years starting from 1st May, 1996. The ITPI Project is mainly to promote cooperation between small and medium enterprises for technology transfer and joint ventures. This will contribute to small and medium enterprises development, which in turn will lead to skills upgradation and employment generation having, thus, direct impact on poverty alleviation programme.

Rubber Plantation in West Bengal

4507 SHRI BASUDEB ACHARIA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to encourage rubber plantation in West Bengal; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b) Yes, Sir. Exploratory surveys conducted by Rubber Board indicate suitability of around 15,000 ha of land in different parts of West Bengal. The Rubber Board set up a regional Research Station at Nagrakatta in Jalpaiguri District in 1989 to undertake specific research activities for evolving suitable clones and other locally cultural practices. Subsequently a Field Office was opened at Siliguri. The Board has also established a group planting centre, a demonstration plot in an area of 12.00 ha and a nursery in Orgam village of Burdwan District.

So far an area of 35.64 ha has been planted with rubber. During 1995, planting is expected to be carried out in another 50.00 ha.

Diversification in STC

4508. SHRI NAMDEO DIWATHE: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government proposes to diversify the functioning of the State Trading Corporation (STC) into domestic marketing;

(b) if so, the details of the proposed scheme alongwith, with the reasons therefor;

(c) the time by which the scheme is likely to come into operation;

(d) the total investment proposed to be made available for the scheme; and

(e) the details of marketing plan for the current year for Maharashtra?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (c). Consequent on decanalisation of items of export and import and in a bid to expand its turnover and profitability State Trading Corporation, (STC) has diversified its operations. It has taken to trading in oil seeds, coffee, cashew etc. Besides, it proposes to increase its domestic trading in tea, coffee, pulses, refined soyabean, safflower (Kardi) oil etc.

(d) and (e). No investment in fixed assets is proposed Domestic sales for 1996-97 is Rs. 100 crores against Rs. 78 crores achieved in 1995-96. The Maharashtra operations are expected to be around Rs. 10 crores during the current year.

Complementing Scheme for Scientists of Commodity Boards

4509. SHRI P.C. THOMAS: Will the Minister of COMMERCE be pleased to state:

(a) whether flexible complementing scheme has been approved for scientists of commodity boards.

(b) if so, the details thereof; and

(c) if not, the reasons for delay?

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

(b) Does not arise

(c) This is a policy matter requiring consultations with several Ministries in the Government.

[Translation]

Teller Machines in Banks

4510. SHRI JAI PRAKASH AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the details of the bank branches in Delhi, location-wise where Automatic Teller Machines have since been installed;

(b) the details of the bank branches where the said machines are proposed to be installed in the near future; and

(c) the expenditure likely to be incurred thereon?

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

[English]

Free Foreign Investment Under WTO

4511. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the developing countries are under pressure to endorse the inclusion of an European Commissions proposal in the World Trade Organisation (WTO) which may take away their freedom to regulate foreign investments; and

(b) if so, India's reaction to the proposal to set up a new investment regime, called Multilateral Investment Agreement (MIA), under the umbrella of WTO?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). European Commission has supported Canada's proposal that the WTO constitute a Working Party to discuss issues on investment policy. India, alongwith some other countries, has advocated that:

- the Agreement on TRIMS already has a time frame of considering the discussion on this issue, which should be adhered to; and
- the issue should first be fully analysed and discussed in UNCTAD before a decision is taken whether it needs to be taken on to the agenda of the WTO.

Trade Related Intellectual Property Rights

4512. SHRIMATI VASUNDHARA RAJE: Will the Minister of INDUSTRY be pleased to state:

(a) whether India's bio-diversity is being patented by private companies;

(b) whether the Government propose to take steps to patent the entire plant and animal bio-diversity under the Trade Related Intellectual Property Rights (TRIPS).

(c) if so, the details thereof,

(d) whether the Government have prepared an inventory of the country's total plant and animal species, including lower forms of life; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c). Plants and animals are not patentable under the Patents Act, 1970. The Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) also permits members to exclude plants and animals from patentability.

(d) and (e). The Botanical Survey of India (BSI) and the Zoological Survey of India (ZSI) are responsible for the survey and inventorisation of the plants and animals species of the country, respectively, including lower forms of life. Approximately, 70% of the geographical area of the country has been surveyed so far by these organisations. Based on these surveys, 45,000 plant species and 81,000 animal species have been recorded.

Functioning of DGS & D

4513. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of COMMERCE be pleased to state:

(a) the number of gazetted/non-gazetted Secretariat officers posted in the Department of Supply;

(b) the details of their role in the functioning of DGS & D;

(c) the achievements made by them to strengthen the functioning of DGS & D;

(d) whether the Government propose to set up Supply Board by disbanding the Department of Supply; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) The number of gazetted and non-gazetted officers posted in Department of Supply is indicated below:

Gazetted	:	34
Non-gazetted	:	146

(b) and (c). The Department of Supply is the nodal department for the purchase and inspection of stores for Central Government Departments and also for State Governments, PSUs, etc., for which DGS & D finalises Rate Contracts. All Rate Contracts of turnover of above Rs. 5 Crores are finalised with the approval of the Department of Supply. Related functions like timely payment, shipment and clearance of stores are also looked after by the Department. It is also concerned with ensuring timely testing and evaluation of materials, products and equipment and it is increasingly associated with the quality improvement/control measures. It also manages Cadre of 2 Group 'A' Services, viz., Indian Supply Service and Indian Inspection Services. It also administers scientific officers and other staff required for the chain of National Test Houses. The Department of Supply have been carrying out its functions effectively through the attached offices of DGS & D, Office of Chief Controller of Accounts and National Test House. The officers and staff of the Department are engaged in the above functions

(d) No, Sir.

(e) Does not arise.

[Translation]

Dues Against NTC

4514. SHRI SUSHIL CHANDRA: Will the Minister of TEXTILES be pleased to state:

(a) whether payment of rupees 21 crore is to be made by the National Textiles Corporation to Madhya Pradesh Electricity Board; and

(b) if so, the time by which the said payment is likely to be made?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):
(a) As on 31.7.96, an amount of Rs. 19.51 crores is payable by NTC (M.P.) Ltd. to Madhya Pradesh Electricity Board.

(b) Due to acute shortage of working capital and the losses suffered by NTC, the NTC has not been able to pay these dues. Government have approved a Revised Turn Around Plan for NTC including the mills under NTC (M.P.) Ltd. The Revised Turn Around Plan has been placed before the BIFR for its approval. The implementation of the plan is expected to make NTC mills viable. NTC is expected to be able to clear these dues on implementation of the Revised Turn Around Plan.

[English]

Development of Handicrafts in U.P.

4515. SHRI S.P. JAISWAL: Will the Minister of TEXTILES be pleased to state:

(a) whether Uttar Pradesh Handicrafts Development Corporation has sought assistance for implementation of schemes for development of handicrafts like woodcraft, items made of copper and brass, hand dying, carpet and saree weaving and pottery in the State;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):
(a) to (c). The Uttar Pradesh Export corporation, Kanpur (the nodal organisation for the development of handicrafts in the State) has sought assistance in various crafts for implementation in the state for development of handicrafts. The details of assistance provided by the Government to the corporation during 1995-96 and 1996-97 is as under:-

(Rs. in lakhs)

S.No.	Name of the scheme	Amount Released	
		1995-96	1996-97 upto Aug. 96
1.	Exhibition	8.68	1.80
2.	Renovation of emporia	2.50	1.79
3.	Setting up of Craft Development Centre	1.88	1.94
4.	Setting up of carpet training and common facility centre.	-	25.00
5.	Design Development	-	3.00
6.	Training in various crafts.	-	2.46

Opening of R.R.Bs

4516. SHRI KESHAB MAHANTA: Will the Minister of FINANCE be pleased to state:

(a) the locations of the Regional Rural Banks, State-wise with particular reference to Assam;

(b) whether the Union Government have received some proposals for setting up of the branches of Regional Rural Banks in the States; and

(c) if so, the details thereof and the time by which these

branches are proposed to be set up in the States with locations thereof State-wise, with particular reference to Assam?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) There are five Regional Rural Banks (RRBs) in Assam. The names of the Banks and locations of their Headquarters are as follows:-

Names of Regional Rural Banks	Headquarters
1. Pragjyotish Gaonlia Bank	Nalbari
2. Lakhiri Gaonlia Bank	Golaghat
3. Cachar Gramin Bank	Silchar
4. Langpi Dehangi Rural Bank	Diphu
5. Subansiri Gaonlia Bank	North Lakhimpur

(a) The State-wise number of RRBs is given in the statement enclosed.

(b) and (c). Licences for opening branches are granted by Reserve Bank of India (RBI). Request for such licences from RRBs are considered on ongoing basis as per the extant procedures and Branch Licencing Policy.

National Bank for Agriculture and Rural Development (NABARD) has reported that no proposal for opening of new branches has been received at their Head Office since 1994-95 to date from Assam.

STATEMENT

Sl. No.	Name of State	No. of RRBs
1.	Andhra Pradesh	16
2.	Assam	5
3.	Bihar	22
4.	Gujarat	9
5.	Haryana	4
6.	Himachal Pradesh	2
7.	Jammu & Kashmir	3
8.	Karnataka	13
9.	Kerala	2

Sl. No.	Name of State	No. of RRBs
10.	Madhya Pradesh	24
11.	Maharashtra	10
12.	Manipur	1
13.	Meghalaya	1
14.	Nagaland	1
15.	Orissa	9
16.	Punjab	5
17.	Rajasthan	14
18.	Tamil Nadu	3
19.	Tripura	1
20.	Uttar Pradesh	40
21.	West Bengal	9
22.	Mizoram	1
23.	Arunachal Pradesh	1
All India Total		196

Impact of Budget Proposals on Exports

4517. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have reviewed the impacts of the budget proposals on export in the light of the points raised by the export community;

(b) if so, the details thereof and whether any follow up action has been taken in regard thereto; and

(c) if so, the details thereof and the outcome thereof?

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

(b) and (c). The Union Budget for 1996-97 proposes a minimum alternate tax (MAT) on Zero Tax paying companies. The effective rate works out to 12 per cent of the book profit calculated under the Company's Act. While analysing the impact of this proposal on exports, it is observed that MAT will not be applicable on the following categories of exporters:-

- (1) 100% EOU and EPZ Units during the 5 year period of exemption on U/S 10 of the I.T. Act.
- (2) All partnership and Proprietorship concerns.
- (3) All limited companies having their export profits less than 70% of their total profits.

Export of floriculture

4518. SHRI SANAT MEHTA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are aware the total size of the international market in floriculture is estimated at Rs. 60,000 crores;

(b) if so, the share of India in the export of floriculture at present; and

(c) the steps taken by the Government to boost the export of floriculture?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). The world trade in cut flowers and potted plants measured in term of imports has been estimated at about US \$ 6 billion during 1992 and India's exports of floriculture products have been for Rs. 14.90 crores during 1992-93. India's share in the world trade comes to 0.07%.

(c) Some of the steps taken by the Government to boost the export of floriculture products, inter-alia, include:-

- (1) Providing financial assistance for development of infrastructure such as Provision of refrigerated/insulated vans and setting up of pre cooling/cold storage units;
- (2) Establishing five walk-in-type cold storages at airports (including Delhi) for export consignments awaiting clearance.
- (3) Setting up of dedicated facility for handling export cargoes of perishable products including cut flowers and tissue culture plants at international airport of Delhi;
- (4) Streamlining and simplification of plant quarantine procedures for expeditious clearance of cargo;
- (5) Concessional customs duty on specified goods required for Green Houses;
- (6) Making available the benefits of dutyfree imports under the 100% Export Oriented Units/Export Processing Zones Schemes to units engaged in floriculture and permitting sale of 50% of their production in the Domestic Tariff Area;

- (7) Implementation of a UNDP assisted Project on Floriculture for enhancing production and exports of cut flowers. Some of the activities to be undertaken in this project include advising entrepreneurs on production of flowers, preparation of crop manuals, undertaking market surveys and providing market information; and

- (8) Participation in international fairs/exhibitions.

Foreign Investment in Print Media

4519. SHRI SONTOSH MOHAN DEV:
SHRI V.V. RAGHAVAN:
SHRIMATI JAYAWANTI NAVINCHANDRA
MEHTA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Foreign Investment Promotion Board has decided to clear foreign direct investment proposals in print media;

(b) whether the Government are also aware that fear has been expressed in certain quarters that only foreign Multi-nationals are likely to be benefitted in this regard; and

(c) if so, the steps taken to remedy the situation and also to protect the national interest?

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

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

World Bank Loan for Rural Water Supply

4520. DR. ARUN KUMAR SARMA:
DR. PRABIN CHANDRA SARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has sanctioned loan for rural water supply and environmental sanitation projects in Assam;

(b) if so, the details thereof;

(c) the details of mechanism evolved for the execution of the projects; and

(d) the funds allocated for the purpose?

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

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

Leather Industry

4521. SHRI KRISHAN LAL SHARMA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the leather industry has been included in small scale industry;

(b) if so, the number of people employed in different sectors in the said industry;

(c) whether a large number of multinationals are setting up their manufacturing units in the country in the said trade;

(d) if so, the details thereof; and

(e) the steps being taken to safeguard the indigenous industry?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) SSI Sector is predominant in manufacturing Semitanned-leather and Leather products like leather shoes and Fancy Leather Goods. However, about 240 medium/large scale manufacturing units are also engaged in the leather sector.

(b) It has been estimated that leather sector provides direct employment for about 1.5 million people in India. Out of them, 6 lakhs persons are employed in flaying and carcass recovery of hides and skins and over 7 lakhs persons are engaged in cottage and small scale industries. Around 1 lakh artisans are estimated to be involved in the repair work of leather goods mostly footwear. About 1 lakh persons are also employed in the medium and large scale sector, mostly in tanneries and footwear manufacturing units.

(c) After process of liberalisation of the economy commenced in July, 1991, Multinational Companies like ADIDAS of Germany, Lotto of Italy, Bally International of Switzerland, Lotus of U.K. and Reebok of U.S.A. have started their manufacturing base in India.

(d) Since July, 1991 about 99 technical, financial and marketing foreign collaborations took place in the field of leather product sector.

(e) In order to safeguard the interests of SSI in India, manufacturing of most of leather products continues to be reserved for the SSI sector.

Unauthorised Tea Gardens in West Bengal

4522. SHRI AMAR ROY PRADHAN: Will the Minister of COMMERCE be pleased to refer to the reply given to Unstarred Question No. 1603 dated August 11, 1995 regarding unauthorised tea gardens in West Bengal and state;

(a) whether the Government collected the requisite information from the Government of West Bengal so far;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the steps taken by the Government to get the information at an early date?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). The information furnished by the State Government of West Bengal indicates that according to the survey conducted by the State Govt. some new tea plantations have come up in the districts of Darjeeling, Uttar Dinajpur, Jalpaiguri and Coochbehar during the last few years.

So far, 229 new gardens spread over four districts have been surveyed as per the details given below:

District	No. of Gardens (app.)	Area covered (acres)
Darjeeling	21	1,302
Uttar Dinajpur	113	18,863
Jalpaiguri	90	15,711
Coochbehar	05	5,00

Government of West Bengal have informed that since there is no provision in the West Bengal Land Reforms Act regarding the new tea gardens, nothing can be done for the present to regularise them.

Securities Exchange Board of India (SEBI) has informed that question does not pertain to their area of operation. Tea Board have also not given recommendation for floating shares in the open market by such gardens.

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

[Translation]

Silk Yarn Bank Scheme

4523. SHRI RAMASHRAYA PRASAD SINGH:
SHRI SHIVRAJ SINGH:
SHRIMATI SHEELA GAUTAM:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government provide financial assistance for the implementation of Silk-yarn Bank Scheme;

(b) if so, the norms prescribed by the Government for providing assistance for the said scheme; and

(c) the funds provided under this scheme during the last three years. Statewise?

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

(a) Yes, Sir.

(b) Under the scheme the Union Government is providing financial assistance in the form of equity @ of 27% on the differential value of yarn purchased by the agency during the previous 3 years. The implementing agency is required to meet the balance 73% expenditure either by raising loan from the commercial banks or from other sources.

(c) The State-wise assistance provided under this scheme during the last three years is as under:

Funds provided during the last three years 1993-94, 1994-95, 1995-96

S. No.	State	1993-94	1994-95	1995-96	Total
1.	Andhra Pradesh	27.00	-	-	27.00
2.	Assam	13.50	33.83	13.00	60.33
3.	Gujarat	-	4.25	-	4.25
4.	Karnataka	-	42.00	1.75	43.75
5.	Kerala	-	24.245	6.62	30.865
6.	Madhya Pradesh	-	-	11.00	11.00
7.	Maharashtra	-	23.33	-	23.33
8.	Manipur	-	1.225	-	1.225
9.	Orissa	50.30	53.71	5.60	109.61
10.	Tamil Nadu	25.56	56.00	36.49	117.49
11.	Uttar Pradesh	54.00	16.20	-	70.20
12.	West Bengal	24.875	25.21	35.54	75.625
13.	N.H.D.C.	13.50	-	-	13.50
Total		208.175	280.00	100.00	588.175

Installed Capacity of Hindustan Paper Corporation

4524. SHRI NAWAL KISHORE RAI:
SHRIMATI SUSHMA SWARAJ:

Will the Minister of INDUSTRY be pleased to state:

(a) whether Hindustan Paper Corporation is producing less than the installed capacity for the last many years; and

(b) if so, the capacity installed and utilised by the Corporation during each of the last three years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI

MARAN): (a) and (b). The total installed capacity of the 5 mills of Hindustan Paper Corporation is 3.51 lakh tonnes per annum. The capacity utilisation was 66% in 93-94, 71% in 94-95 and 72% in 95-96.

[English]

Non-Performing Assets of Banks

4525. JUSTICE GUMAN MAL LODHA:
PROF. PREM SINGH CHANDUMAJRA:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item appeared in the daily Economic Times dated August 10, 1996 under the caption "Talwar urges banks to cut down N.P. Assets";

(b) if so, the facts thereof;

(c) the percentage of the non performing assets of the banks during the first year of Eighth Five Year Plan and the percentage thereof during 1995-96;

(d) the year in which the percentage of these assets remained highest during the Eighth Five Year Plan; and

(e) the measures being taken to cut down the NPAS in the near future?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). Yes, Sir. The health of a bank depends, amongst other things or its level of non-performing assets (NPA) which should be at the lowest possible level. The provisional of NPA of all public sector banks as on 31.3.96 stood at 16.01% of their total advances as against 19.45% during the previous year (31.3.95). Banks are being continuously exhorted by RBI to bring down their level of NPAs through upgradation, recovery etc.

(c) Percentage of NPAs of all public sector banks as on 31.3.93 (i.e. at the end of first year of 8th Plan Period) had been 23.18% of their total advances and the same stands at 16.01% (provisional) as on 31.3.96.

(d) According to RBI the level of NPAs of all public sector banks which was at 24.78% of their total advances as on 31.3.94 has been the highest during the period from 1992-93 to 1995-96.

(e) The prudential norms prescribed by RBI have brought about a greater awareness amongst banks of credit risks and there have been conscious attempts on the part of banks to keep their NPAs at the minimum. The banks have evolved loan recovery policies and have set up Recovery Cells at Headquarters. Banks have also set up recovery targets for their branches. Recoveries are monitored at frequent intervals by bank functionaries right down from the Chairman and Managing Director. The set up of Debt Recovery Tribunals is also expected to help banks in recovery of certain disputed or defaulted dues.

The Companies Act, 1956

4526. SHRI BHAKTA CHARAN DAS: Will the Minister of FINANCE be pleased to state:

(a) Whether the Government are contemplating to amend the Companies Act, 1956;

(b) whether the Government have constituted any

working group to prepare a complete draft of new companies Act;

(c) if so, the composition and terms of references of the said group; and

(d) the time by which the said group is likely to complete the draft?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The Government has decided that the Companies Act, 1956 needs to be re-written comprehensively.

(b) to (d). Yes, Sir. The Government has constituted a Working Group consisting of persons with knowledge of law, economics and company affairs to rewrite the Companies Act, 1956. The Working Group consists of the following:-

1. Dr. K.R. Chandratre
2. Dr. Omkar Goswami
3. Shri Rajendra S. Lodha
4. Shri D.S. Mehta
5. Shri S. Ramaiah
6. Shri M.K. Sharma
7. Shri Shardul S. Shroff
8. Shri B.B. Tandon.....Convenor

The Group has been asked to re-draft the Companies Act, 1956. The redrafted version is likely to be available for public debate by January 1, 1997.

Production of Janata Cloth

4527. SHRI SATYAJITSINH DULIPSINH GAEKWAD: Will the Minister of TEXTILES be pleased to state:

(a) the targets fixed for the production of Janata cloth in Gujarat during the last three years and to what extent these targets have been achieved;

(b) whether the production of Janata Cloth has declined in the State during the aforesaid period;

(c) if so, the reasons therefor; and

(d) the steps taken by the Government to increase the production of Janata Cloth in the State?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) The targets fixed for production of Janata Cloth in Gujarat State and achievement thereof during the last three years are as under:-

(in Mn. Sq. Mtrs.)

Year	Targets	Achievement
1993-94	7.50	7.86
1994-95	6.50	4.36
1995-96	5.00	0.42

(b) Yes, Sir.

(c) and (d). To encourage the handloom weavers to switch over to higher value added items, the Janata Cloth Scheme is being phased out. The question of increasing production of Janata Cloth in the State, therefore, does not arise.

Counter Guarantee to Power Projects

4528. SHRI T. GOPALKRISHNA: Will the Minister of FINANCE be pleased to state:

(a) whether the Govt. propose to incorporate several conditions on the Fast-Track power projects awaiting counter-guarantees;

(b) if so, the reason therefor;

(c) the conditions proposed to be incorporated; and

(d) the details of advantages expected therefrom?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d). Govt. of India counter-guarantees to the CCFI approved Fast-Track power projects are being processed under the conditions incorporated in the 'General Parameters for the issue of Counter-Guarantee by Government of India' issued on 14.12.94. A copy of the 'General Parameters' is enclosed as statement.

There is no proposal for incorporation of any additional conditions in the General Parameters mentioned above, at this stage.

STATEMENT

General parameters for the issue of Counter Guarantee by Government of India in respect of all private Sector Power Projects

A. Eligibility Criteria:

(1) The SEB has signed a Power Purchase Agreement (PPA) with the developer.

(2) The SEB has agreed to open an irrevocable revolving

Letter of Credit for its payment liabilities of one month to the private power company; and to maintain an Escrow account to which revenues equivalent to one month's billing of the private power company will be credited.

(3) The SEB has signed and is in the process of successfully implementing the Operational and Financial Action/(DFAP) loan with the Power Finance Corporation.

(4) The State Government has agreed to issue a guarantee for discharging the liabilities of the SEB under the PPA.

(5) The management of SEB and the State finances is prudent, in the opinion of Government of India, Ministry of Finance. Among other parameters this would include achievement of minimum Rate of Return (ROR) of 3% fixed assets for the proceeding financial year.

(6) The State Government undertakes to accept the stipulations laid down in the following paragraphs, particularly those relating to performance parameters.

B. Power Purchase Agreement:

After a careful review, GOI should be broadly satisfied that the PPA meets such criteria as may be laid down by GOI. Since PPAs are very crucial to the successful operation of private power projects, State Governments should take steps so that these are negotiated with the assistance of professional experts who have relevant experience. In addition the Ministry of Power, must first certify.

(1) the essentiality of the project, and its consistency with grid management.

(2) whether the cost per MW of generating capacity is reasonable in the light of costs of other projects in the power sector, and

(3) the tariff and other parameters have been fixed as per approved GOI guidelines, and deviations, if any, are fully justified.

(4) the PPA must clearly indicate the cost per unit (at different levels of PLF) which should be adjustable only to the extent of Known variations in these cost elements which are agreed to as a pass through on to the tariff on an automatic basis. No counter guarantee can be given until costs are fixed in this manner.

C. Terms and conditions:

Projects approved by CCFI may be considered for the following guarantees:

1. Scope:

(a) The guarantee will cover payments on account of capacity and energy charges only.

(b) In the event of termination of the PPA, the guarantee will additionally cover a part of the outstanding foreign debt borrowed by the private power company for the construction of the plant (to be referred to as debt to be guaranteed by GOI shall be restricted to an amount equivalent to the foreign equity. The remaining debt would not be guaranteed. Such debt could either be raised from Indian Financial Institutions or raised from Foreign sources with appropriate guarantee by Indian Financial Institutions. Termination payment, as and when made shall be accompanied by creation of an appropriate charge on the power station.

2. Financial Limitation:

(a) The maximum annual liability of GOI will be fixed at a predetermined level, based on likely capacity and energy payments with and annual escalation not exceeding 5%. This would constitute the Guarantee limit.

(b) Additionally, the impact of changes in tax or GOI mandated devaluation of the Rupee will lead to an enhancement of the guarantee limit on an actual pass through basis.

(c) The guarantee shall be denominated in Rupees.

(d) GOI's total exposure in respect of each State shall not exceed the sum total of central plan assistance and share of central taxes transferred to that State in the preceding financial year.

3. Second Guarantee:

More than one guarantee may be considered for a State subject to GOI's total exposure for the respective State not exceeding the sum total of central plan assistance and the State's share of central taxes in the preceding taxes in the preceding year.

4. Duration of the Guarantee:

The duration of the guarantee shall be limited to a period of 10 years from the date of entry into commercial service. For termination payments relating to foreign project construction debts, however, a maximum period of 15 years may be considered, depending upon the term of such loans.

5. Minimum Equity Holding:

(a) Till twelve months elapse after commencement of commercial operation, the promoter share holders will be required to hold at least 50% of the issued share capital. Thereafter, until the guarantee remains in force, their holding should not fall below 33.33%.

(b) Any transfer of foreign denominated equity to rupee denominated equity would require prior GOI approval.

6. Guarantee Fees:

(a) The State Government will pay a nominal guarantee fee of Re.1. (In place of the normal guarantee fee of 1.2% of the guarantee limit charged by GOI).

(b) Failure to satisfy the performance parameters detailed in para "7" below will lead to levy of additional guarantee fees as stated therein.

7. Performance Parameters:

In terms of adherence to the DFAP, and as the SEB's financial health is a critical variable in GOI's risk assessment, the following minimum performance parameters shall be adopted.

(a) a minimum rate of return (ROR) of 3% on the value of its fixed assets. For fall of ROR below 3%, the guarantee fee shall increase by 0.5% of the total guarantee limit, irrespective of the extent of default.

(b) the SEB's average receivables in each financial year shall not exceed the equivalent of 3 months of sales (4 months till 31.3.98). For any increase in the receivables above the specified levels, the guarantee fee will increase by 0.25% of the total guarantee limit, irrespective of the extent of default.

(c) the SEB's average payables in each financial year shall not exceed the equivalent of 3 months (4 months till 31.3.1998) of purchases of fuel and consumables for its Power Station and other works. For any increase above the specified level, the guarantee fee will increase by 0.25% of the total guarantee limit, irrespective of the extent of default.

(d) levy of a minimum agricultural tariff, as agreed from time to time in the NDC or any other National or Regional fora.

8. Invocation of the Guarantee:

If and when a SEB and the State Government default in payment of dues to the Power Company, the following consequences shall follow.

(a) Any amount paid by GOI on behalf of the State Government, in terms of its counter guarantee shall be debited to the State's account with the Reserve Bank of India. Till the entire GOI credit is recovered, RBI shall not make any other payments on behalf of the State Government.

(b) In addition, the State Government agrees that any amount due to the GOI under the counter guarantee, may be adjusted against the central plan assistance, the State's share in central taxes, other central loans and grants.

(c) The amount paid by GOI shall be recovered from the State Government together with simple interest equal to the Bank Rate (as per RBI Act, 1934) plus 2.5% per annum.

(d) When any payment is made by GOI, it shall have the right to direct the private power company forthwith, as to where and to whom the energy from the power station should be supplied, until the amount has been fully recovered by GOI.

(e) On payment of termination charges, GOI shall have a *pari passu* charge with other lenders.

9. Other Conditions:

(a) GOI will also have the right to adjust the overdues outstanding from the SEB and payable to NTPC, NHPC and Powergrid in the same manner as elaborated at 8(i) and (ii) above.

(b) The Agreements and Guarantees shall be governed by Indian law. However, suitable exceptions could be made to address legitimate concerns of foreign lenders.

(c) Breach of this Agreement may attract penal guarantee fee of upto 3% per annum.

World Bank Report on Indian Economy

4529. DR. M.P. JAISWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the draft World Bank Report on the State of Indian economy has warned that projected seven percent growth in Gross Domestic Product might not be sustained;

(b) if so, the details thereof; and

(c) the steps taken by the Government attain this target?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). The World Bank's Country Economic Memorandum 1996 pointed out that the stabilization and reforms measures over the last five years have considerably improved India's growth prospects and may have created the pre-conditions for India's Gross Domestic Product to grow at a stable 6-7 percent per year. The World Bank has also pointed out, however, that a challenging agenda of structural reforms such as reducing fiscal deficit, accelerated human resource development, reform of agricultural policies, priority action for improving urban services and improvements in the infrastructure sectors need to be addressed to sustain the current growth rates.

(c) The Government's economic policies including the policy measures announced in the 1996-97 budget are aimed at ensuring sustained high growth rates of India's Gross Domestic Product.

[Translation]

Recycling of Clothes

4530. SHRI O.P. JINDAL: Will the Minister of TEXTILES be pleased to state:

(a) Whether some organisations are earning crores of rupees in illegal trade by importing rags in the name of providing free clothes to the poor;

(b) if so, the names of the organisations involved therein; and

(c) the action proposed to be taken by the Government against these organisations?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) No such instance has come to the notice of the Government.

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

[English]

Marketing Through 'ACASH'

4531. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of TEXTILES be pleased to state:

(a) the percentage of commission charged by Association of Corporations and Apex Societies of Handlooms, New Delhi (ACASH) and its State handloom agencies from handloom units registered with State handloom agencies;

(b) the list of societies registered with ACASH and the items exclusively reserved for purchase by the Union Government from ACASH;

(c) the number of contracts performed by ACASH during the last three years till date indicating items supplied in quantity, value of contract and supplied and unsupplied quantity; and

(d) the number of weavers benefitted by the Government's purchase policy through this organisation?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) Association of Corporations and Apex Societies of Handlooms (ACASH) charges 5% of the value of goods supplied by its notified agencies as administrative charges. ACASH or Central Government have not specified any guidelines about the commission or administrative charges and the State handloom agencies decide the commission to be charged from its registered handloom units.

(b) A list of members of ACASH and the items notified for

purchase from Handloom Sector by the Central Government is given in the attached Statement-I and Statement-II respectively.

(c) A Statement-III showing the number of contracts received, orders received, orders supplied and balance orders from 1993-94 till 1995-96 giving quantity and value is attached.

(d) The data is not maintained by ACASH.

STATEMENT-I

List of Members of ACASH

- | | |
|--|---|
| 1. All India Handloom Fabrics Marketing Cooperative Society Ltd. | 19. Maharashtra State Handloom Cooperation Ltd. |
| 2. Andhra Pradesh State Handloom Weavers Cooperative Society Ltd. | 20. Maharashtra State Handloom Cooperative Federation Ltd. |
| 3. Andhra Pradesh State Textile Development Corporation Ltd. | 21. Madhya Pradesh State Textile Corporation Ltd. |
| 4. A.P. Federation of Sericulturists & Silk Weavers Cooperative Society Ltd. | 22. Manipur Handloom and Handicrafts Development Corporation Ltd. |
| 5. Bihar State Export Corporation Ltd. | 23. National Handloom Development Corporation Ltd. |
| 6. Bihar State Handloom & Handicrafts Corporation Ltd. | 24. National Federation of Industrial Cooperative Ltd. |
| 7. Gujarat State Handloom Development Corporation Ltd. | 25. North Eastern Handloom and Handicrafts Development Corporation Ltd. |
| 8. Gujarat State Handloom and Industrial Cooperative Federation Ltd. | 26. Orissa State Handloom Weavers Cooperative Society Ltd. |
| 9. Haryana State Handloom & Handicrafts Corporation Ltd. | 27. Orissa State Handloom Development Corporation Ltd. |
| 10. Haryana State Small Industries and Export Corporation Ltd. | 28. Orissa State Tassar and Silk Cooperative Society Ltd. |
| 11. Haryana State Industrial Cooperative Federation Ltd. | 29. Pondicherry State Weavers Cooperative Society Ltd. |
| 12. Haryana State Cooperative Handloom Weavers Apex Society Ltd. | 30. Punjab State Handloom Weavers Apex Cooperative Society Ltd. |
| 13. Himachal Pradesh State Handloom and Handicrafts Corporation Ltd. | 31. Punjab State Handloom Textile Development Corporation Ltd. |
| 14. J&K Handloom Fabrics Marketing Cooperative Society Ltd. | 32. Rajasthan State Handloom Development Corporation Ltd. |
| 15. J&K State Handloom Development Corporation Ltd. | 33. Rajasthan Rajya Bunkar Sahakari Sangh Ltd. |
| 16. Karnataka Handloom Development Corporation Ltd. | 34. Tamil Nadu Handloom Development Corporation Ltd. |
| 17. Kerala State Handloom Development Corporation Ltd. | 35. Tamil Nadu Handloom Weavers Cooperative Society Ltd. |
| 18. Kerala State Handloom Weavers Cooperative Society Ltd. | 36. Tripura Handloom and Handicrafts Development Corporation Ltd. |
| | 37. Tripura Apex Weavers Corporation Ltd. |
| | 38. U.P. State Handloom Corporation Ltd. |
| | 39. U.P. Industrial Cooperative Association Ltd. |
| | 40. West Bengal Handloom and Powerloom Development Corporation Ltd. |
| | 41. West Bengal State Handloom Weavers Cooperative Society Ltd. |

STATEMENT-II*List of items notified for purchases from Handloom Sector*

Title	IS
1	2
<i>Cotton - Handloom</i>	
Angavastram	7216 - 1974
Bandage cloth	863 - 1969
Bed durries	1557 - 1972
Bed sheets	745 - 1975
Blankets, grey or coloured	746 - 1955
Bleeding Madras, loomstate	1937 - 1961
Buckram cloth	1102 - 1968
Bunting cloth, dyed	747 - 1982
Calico, bleached or dyed	1241 - 1958
Cambric, bleached	1098 - 1957
Cellular shirting, handloom cotton	1101 - 1981
Cloth for plaster of pans bandages and cut bandages	6237 - 1971
Coating, handloom cotton	1243 - 1981
Colour fastness of handloom cotton textiles, requirements	6906 - 1982
Crepe	1100 - 1978
Dhoties	748 - 1974
Dosuti Grey, scoured, bleached or dyed	756 - 1984
Dress material, bleached, dyed printed striped or checked	1095 - 1957
Drills	1451 - 1979
Dungri cloth	749 - 1978
Dusters	859 - 1978
Floor durries	1450 - 1972
Gada cloth	1094 - 1976
Gause, absorbent, non-sterilized, handloom cotton	758 - 1975
Handkerchiefs	1939 - 1975
Holland cloth, unscoured	1096 - 1957

1	2
Honeycomb towels and towelling cloth	855 - 1979
Huckback towels	856 - 1971
Jaconet cloth, grey, dressed	861 - 1982
Light sheeting, grey	864 - 1956
Lining cloth, dyed	1099 - 1957
Lint, absorbent, bleached	757 - 1971
Longcloth, Bleached or dyed	1244 - 1958
Lungies	750 - 1976
Madras Check	1247 - 1958
Madras handkerchiefs, Handloom cotton	1093 - 1981
Malmal, bleached	755 - 1984
Mazri cloth (loomstate)	751 - 1984
Mix saris	8039 - 1976
Mootus, striped or checked	1814 - 1961
Mosquito netting	1097 - 1979
Muslin, bleached	752 - 1984
Nainsook, bleached or dyed	1240 - 1958
Napkins, bleached, striped, checked or dyed	857 - 1956
Poplin, bleached or dyed	1556 - 1960
Pugri cloth, bleached or dyed	753 - 1983
Pyjamma cloth, grey, with stripes	1245 - 1958
Saries	754 - 1974
School Uniform fabric	8797 - 1978
Shirting	1242 - 1975
Sponge cloth, grey, striped and checked	860 - 1956
Table cloth and napkins, handloom cotton	858 - 1981
Ticking cloth, grey, striped	862 - 1956
Turkish towels and towelling cloth handloom cotton	854 - 1981
Twills	1579 - 1979

1	2
<i>Silk - Handloom</i>	
Bush Shirt cloth, Loomstate	1686 - 1960
Dhotis, loomstate	1583 - 1960
Kora (loomstate) cloth	1687 - 1960
Shirting, loomstate	1584 - 1960
<i>Wool - Handloom</i>	
Blanketing cloth	895 - 1957
Blanket, scarlet	2901 - 1964
Blankets, natural grey brown	892 - 1980
Blankets, ordinary, plain or check	893 - 1957
Blankets, shoddy (double faced)	2157 - 1962
Blankets, shoddy (single faced)	2481 - 1963
Blankets, brick red	894 - 1980
Bunting cloth, worsted, heavy	889 - 1957
Bunting cloth, worsted, light	890 - 1957
Cloth, collar, white	2715 - 1964
Kamblies, loomstate	896 - 1957

1	2
Lohis, worsted	1268 - 1958
Melton (shoddy) cloth	2173 - 1962
Serge	1266 - 1958
Shirting, worsted	891 - 1957
Pile Fabrics	2714 - 1964

The following items shall be procured on the basis of sample approved by purchaser/mutally agreed specifications

1. Khes
2. Bed cover
3. Counter pane
4. Furnishing
5. Chaddar
6. Dufrets/Jamakkalam
7. Bastha cloth
8. Lowreed pick cloth
9. Silk Sarees
10. Shawls, Mufflers, Pankhis
11. Woolen tweed.

STATEMENT-III

The No. of contracts against orders received, orders executed and orders balance from 1993-94 onwards till 1995-96

(Quantity in lakhs and Value Rs. in lakhs)

S.No.	Item	Unit of Quantity	Received		Orders Executed		Balance Order		
			No. of contracts	Qunatity	Value	Quantity	Value	Quantity	Value
1	2	3	4	5	6	7	8	9	10
1.	Blankets	No.	29	7.91	1605.92	3.01	651.95	4.18	953.99
2.	Bed Sheets	No.	43	3.35	292.66	3.05	279.05	0.30	13.61
3.	Bed Durry	No.	16	2.46	319.18	1.80	215.92	0.66	103.26
4.	Blanketing cloth	Mtr.	10	1.15	74.67	0.80	45.59	0.35	29.08
5.	Bunting cloth	Mtr.	1	0.06	1.50	0.06	1.50	-	-

1	2	3	4	5	6	7	8	9	10
6.	Blouse cloth	Mtr.	41	1.69	42.06	1.69	42.06	-	-
7.	Curtain cloth	Mtr.	42	1.00	55.32	1.00	55.32	-	-
8.	Dungry cloth	Mtr.	1	0.75	11.87	0.75	11.87	-	-
9.	Duster	No.	5	6.32	18.35	6.32	18.35	-	-
10.	Gauze & Bandage		215		931.45		906.45	-	5.00
11.	Pillow cover	No.	30	2.53	67.65	2.50	66.45	0.03	1.20
12.	PC Suiting & Shirting	Mtr.	81	12.67	770.72	12.26	743.72	0.41	27.00
13.	Pugree cloth	Mtr.	1	7.49	155.52	-	-	7.49	155.52
14.	Sheeting cloth	Mtr.	18	1.13	15.74	0.97	14.87	0.16	0.87
15.	Saree	No.	57	2.06	337.41	1.88	311.93	0.18	25.48
16.	Silk saree	No.	1	0.06	60.72	0.06	60.72	-	-
17.	Sponge cloth	No.	14	11.55	101.92	11.20	99.42	0.31	2.50
18.	Towel	No.	58	10.94	291.55	2.69	121.29	8.25	170.26
19.	Cumbly	No.	3	0.15	17.30	0.07	8.30	0.08	9.00
20.	Drill cloth	Mtr.	1	0.001	0.05	0.001	0.05	-	-
Total			667		5171.58		3854.31		1510.77

Spinning Mills

4532. SHRI SOUMYA RANJAN : Will the Minister of TEXTILES be pleased to state :

(a) the amount of foreign exchange earned by the export oriented yarn spinning mills during the year 1995-96;

(b) whether the Government are contemplating to set up more such mills in the country; and

(c) if so, the proposed location of these mills and the other details thereof?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) :
(a) The exports of cotton yarn by 100% Export Oriented Units during 1995-96 amounted to Rs. 1590 crores (approx.).

(b) and (c). 100% Export Oriented Units can be set up in

locations of the choice of the entrepreneurs, subject to the locational policy of the Government.

Losses to Banks in Rural Areas

4533. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether the nationalised and cooperative banks operating in rural areas have been incurring losses continuously during the last three years; and

(b) if so, the details of the profits earned and losses incurred indicating the principal amount and interests, if any, written off during the period, together with the circumstances leading to the write off?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Details of losses incurred by rural branches of nationalised banks during the last three years, as reported by Reserve Bank of India (RBI), are given below :

(Amount in Crores of Rupees)

Year	Total No. of rural branches which had incurred losses	Total amount of losses incurred
1992-93	5850	132.00
1993-94	5936	161.83
1994-95	4910	140.21

As regards the principal amount and interest written off during the above period, RBI has reported that its present data maintenance system does not generate information as asked for.

In so far as cooperative banks are concerned, information is being collected and will be laid on the Table of the House.

[Translation]

Vacant Posts of Judges

4534. SHRI D.P. YADAV : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Union Government have issued directives to fill up the vacant posts of judges in the various High Courts of the country at the earliest;

(b) if so, whether the Government have appointed some learned lawyers also on the vacant posts of judges; and

(c) if so, the number of such lawyers who have been appointed as judges the High Court-wise and the criterion fixed in this regard?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP): (a) to (c). Appointments of Judges in various High Courts are made by the President of India in accordance with the criteria laid down in Article 217 of the Constitution of India. The Chief Justices of the High Courts and the State constitutional authorities are requested from time to time for making recommendations for filling up vacant posts of Judges in the High Courts. A *Statement* showing the number of Judges from the Bar in each High Court as on 1.9.1996 is attached.

STATEMENT

As on 1.9.1996

Sl. No.	High Court	Number of Judges from		
		Bar	Service	Total
1.	Allahabad	38	26	64
2.	Andhra Pradesh	22	15	37
3.	Bombay	36	15	51
4.	Calcutta	22	18	40
5.	Delhi	18	10	28
6.	Gauhati	12	5	17
7.	Gujarat	19	11	30
8.	Himachal Pradesh	5	3	8
9.	Jammu & Kashmir	6	4	10
10.	Karnataka	20	10	30
11.	Kerala	17	6	23
12.	Madhya Pradesh	16	12	28
13.	Madras	17	6	23
14.	Orissa	9	5	14
15.	Patna	20	13	33
16.	Punjab & Haryana	16	17	33
17.	Rajasthan	20	12	32
18.	Sikkim	1	1	2
		314	189	503

Export of Cotton

4535. SHRI N.J. RATHWA : Will the Minister of TEXTILES be pleased to state :

(a) the quantity of cotton permitted for export from Gujarat particularly from the tribal dominated areas during the current season;

(b) the quantum of cotton exported by the Government of Gujarat so far;

(c) the quantum of cotton requested for export by the Government of Gujarat; and

(d) the reasons for giving permission of lesser quantity of cotton to be exported from the State?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b). Government of India have allocated a quota of 1.15 lakh bales of cotton for export to Gujarat State Marketing Federation. Besides this a quota of 3.10 lakh bales was opened to all including Federations and private trade and 2.00 lakh bales was allotted to modern ginning and pressing units during the current cotton season of 1995-96.

Out of the quota released to Gujarat this year, some 48,275 bales were reported to have been shipped by Gujarat Federation till 27/8/96.

(c) and (d). Gujarat Government had early in the Cotton Season of 1995-96 requested for an export quota of 5 lakh bales of cotton. Keeping this request in view, a sizeable quota was released to the Gujarat Federation. This quota is yet to be exhausted by them.

[English]

Presumptive Income Tax Scheme

4536. SHRI AMAR PAL SINGH :
SHRI VIJAY GOEL :

Will the Minister of FINANCE be pleased to state :

(a) whether the presumptive Income Tax Scheme introduced in 1992-93 budget in a bid to widen the tax base has been successful;

(b) if not, the reasons therefor; and

(c) the steps proposed to be taken by the Government to make the scheme successful?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The statistics regarding number of persons opting for Presumptive Tax Scheme and the tax collected under the Presumptive Tax Scheme since inception are given below:

Financial Year	No. of Persons	Tax collected (Rs. in crs.)
1992-93	116644	16.47
1993-94	195600	27.53
1994-95	356322	49.96
1995-96	251824*	35.39*

* Provisional figures.

The results of Presumptive Tax Scheme are not found to be as encouraging as they were expected.

(b) It appears that the small businessmen and persons carrying on specified vocations have not fully appreciated the benefits flowing from the Presumptive Tax Scheme. As a result there has been less than expected enthusiasm about availing of the benefits of the scheme.

(c) Steps have been taken and are proposed to be intensified to give wide publicity to the scheme through print and electronic media and also through holding of meetings with the tax-payers and trade associations etc.

[Translation]

Export of Coffee

4537. SHRI KACHARU BHAU RAUT : Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of coffee exported and the foreign exchange earned therefrom during last year;

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

(c) the steps being taken to increase the export of coffee?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The total quantity of coffee exported and foreign exchange earned therefrom during the last year is given below :

Year	Qty. exported (in tonnes)	Foreign exchange earned (US\$ million)
1995-96	167956	438.33

(b) The Government has fixed export target of 1,50,000 tonnes of coffee during the current year.

(c) In order to boost exports, the Board under its export promotion programme is taking up the following steps :

- (i) Regular participation in important coffee fairs abroad;
- (ii) Media publicity campaign to popularise Indian coffee besides production of a T.V. film on Indian coffee.
- (iii) Conducting regular market survey and deputation of business negotiation delegation to foreign markets; and
- (iv) Inviting foreign market teams to the country to popularise Indian coffee.

*[English]***Reduction of Staff of B.C.C.L.**

4538. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) whether the B.C.C.L. proposed to reduce the number of its employees and workers;

(b) if so, the number of employees and workers proposed to be reduced in B.C.C.L. during the next five years; and

(c) the likely affects of this scheme on the production of coal?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). Bharat Coking Coal Limited (BCCL) proposes its manpower reduction during the next five years as under :

Year	Proposed reduction in manpower (in Nos.)
1997-1998	2920
1998-1999	4046
1999-2000	3619
2000-2001	6058
2001-2002	4566

(c) Proposed reduction of manpower is unlikely to have any adverse impact on the coal production programme of the company.

Decontrol of Cement

4539. SHRI B.L. SHANKAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have ever assessed the affects of decontrol of cement;

(b) if so, the details thereof along with the findings thereof; and

(c) the steps the Government propose to take up ensure that the prices of cement remain within the reach of common man?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). With the decontrol of price and distribution of cement industry in March, 1989 and delicensing

in July, 1991, the cement industry has recorded a remarkable growth. The installed capacity has almost doubled and the industry has modernised and upgraded its technology to a great extent. The country had been importing cement till the first half of 1980's for meeting the increasing demand. The position has now been reversed and the country has been exporting large quantities of cement. India is now the fourth largest producer of cement in the World. The quality of cement produced in the country is also comparable to the best in the World.

(c) While the price and distribution of cement have been decontrolled, Government is encouraging creation of additional installed capacity and higher production of cement in order to strengthen competitiveness in the market. Government is allocating rail wagons to the cement industry on priority basis for movement of cement from surplus to deficit areas. Concessional excise duty has been extended to mini cement plants which operate mainly in remote and rural areas.

Insurance Cover to Bank Frauds

4540. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to state :

(a) whether General Insurance Corporation has been paying to the public sector and private sector banks the money they have been losing in cases of frauds/cheating etc.;

(b) if so, the quantum of money so paid to the banks in the last three years, year-wise and bank-wise; and

(c) the procedure adopted before making payments to ensure that the losses suffered by the banks were beyond their control and there was no connivance, abetment direct or indirect and laxity on the part of the bank officials in checking those losses?

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.

Import of Cement Bags by Cement Factories

4541. SHRI N.S.V. CHITTHAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether cement bags are being imported by the State Government for Cement Corporations run by States and Union Government; and

(b) if so, the details of such imports during each of the last three years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Data regarding procurement of bags by individual cement plants is not maintained centrally.

However, according to the information furnished by the Cement Corporations run by the State Governments and Cement Corporation of India, no cement bags have been imported by the Government or the Corporations themselves for packing cement.

Surveillance System

4542. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to introduce a surveillance system for the financial institutions and non-banking companies; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The Reserve Bank of India (RBI) has reported that it has introduced an on-site inspection system for the financial institutions (FIs) with effect from 1st April, 1995. Under this system the FIs are to be inspected at an interval of two years. The on-site inspection generally covers the areas of capital adequacy, asset quality, credit management, earnings and profitability, liquidity, merchant banking activities, internal control systems, overall management etc. As on date, six of the FIs namely Industrial Development Bank of India (IDBI), Industrial Credit and Investment Corporation of India Limited (ICICI), Industrial Finance Corporation of India Limited (IFCI), National Housing Bank (NHB), Export Import Bank of India (EXIM Bank) and Industrial Reconstruction Bank of India (IRBI) are under the supervisory jurisdiction of RBI.

As regards non-banking financial companies (NBFCs), RBI regulates only the deposit acceptance activities of these companies in terms of the provisions of Reserve Bank of India Act, 1934. With a view to ensuring that companies comply with the directives of RBI, RBI periodically conducts inspection of books of accounts of these NBFCs.

Coal Supply to Power Stations of Vidarbha Region

4543. SHRI BANWARI LAL PUROHIT : Will the Minister of COAL be pleased to state :

(a) whether Koradi and Khaperkheda Power Stations in the Vidarbha region of Maharashtra are getting coal from South Eastern Coalfields Limited in Madhya Pradesh and Mahanadi Coalfields Limited in Orissa;

(b) if so, the annual quantum and value of the coal supplied from the said coalfields;

(c) whether collieries of Western Coalfields Limited are also supplying coal from these collieries to Koradi and Khaperkheda Power Stations;

(d) if so, the quantum of coal supplied by the said colliery to the power stations;

(e) the annual production of WCL mines in the vicinity of these power stations; and

(f) the share of the parties other than these power stations from the total production of these mines?

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

(b) A total of 6.856 million tonnes of coal, valued at Rs. 245.72 crores was supplied to Koradi and Khaperkheda power stations from South Eastern Coalfields Ltd. (SECL) in Madhya Pradesh and Mahanadi Coalfields Ltd. (MCL) in Orissa.

(c) Yes, Sir.

(d) The total of 1.269 million tonnes of coal was supplied to these two power stations from Western Coalfields Ltd. (WCL) during 1995-96.

(e) and (f). The production from the mines in the vicinity of these power stations i.e. in Nagpur Area of WCL during 1995-96 was 2.778 million tonnes (provisional).

Roughly 0.08 million tonnes per month i.e. 35% of the coal produced in these mines is despatched to linked industrial consumers in and around Nagpur. Besides Khaperkheda and Koradi coal is also supplied to Sarni power station from these mines.

All India Judicial Services

4544. SHRI R. SAMBASIVA RAO : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Law Commission in its 116th report has recommended for formation of All India Judicial Services;

(b) if so, whether the Supreme Court in its judgement dated April 10, 1995 has directed the Union Government to take remedial steps for implementation of the directions to achieve the objective of setting up an All India Judicial Services; and

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

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) The Law Commission in its 116th Report submitted in September, 1985 recommended the constitution of an All India Judicial Service.

(b) Yes, Sir.

(c) Under Article 312 of the Constitution, an All India Judicial Service can be created/constituted only if the Council of States declares by a Resolution supported by not less than 2/3rd of the Members present and voting that it is necessary or expedient in the national interest so to do. Before such a Resolution is moved, the views of the State Governments and High Courts have been sought with regard to the constitution of an All India Judicial Service. Comments/ views from the High Courts of Calcutta, Madras and Jammu & Kashmir and the State Governments of Bihar, Meghalaya, Jammu & Kashmir and Rajasthan are still awaited.

Burn Standard Co. Ltd.

4545. SHRI HARADHAN ROY : Will the Minister of INDUSTRY be pleased to state :

(a) whether any capital investment has been made in the various units of Burn Standard Co. Ltd. in the country;

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

(c) whether the Union Government propose to make more capital investment in the units of Burn Standard Co. Ltd. in West Bengal in the near future; and

(d) if so, details thereof?

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

(b)

(Rs. in lakhs)

Unit	1993-94	1994-95	1995-96
HW	43.05	159.79	117.00
BW	93.21	92.15	87.84
OSP	-	-	1.34
RW	0.33	-	-
GW	1.98	1.48	0.02
JW	0.98	-	-
NW	5.96	0.75	-
SW	4.87	27.76	8.53
HO	4.00	0.14	0.22
Total	154.38	282.07	214.95

(c) and (d). BSCL is presently before BIFR and O.A. is preparing the revival scheme of BSCL. Investment in BSCL will depend on the recommendations of the BIFR.

Loan Mela Scheme

4546. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :

(a) the amount of loans sanctioned by various nationalised banks during each of the last three years and in the current year till date under the loan mela scheme;

(b) the amount of such loans still outstanding towards borrowers and is likely to be non-recoverable; and

(c) the steps taken to recover this amount and to fix responsibility in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Reserve Bank of India (RBI) have reported that they have advised all the public sector banks to instruct their branches to desist from participating in loan melas which are against established lending norms and procedures. However, if credit camps are organised for identifying beneficiaries under poverty alleviation programmes and for saving their time and energy in the completion of application forms etc., banks could participate in such credit camps.

Trade with Germany

4547. SHRI SULTAN SALAHUDDIN OWAIISI :
SHRI ANAND RATNA MAURYA :

Will the Minister of COMMERCE be pleased to state :

(a) the details of balance of trade between India and Germany during each of the last three year;

(b) whether the Government have reviewed the export performance with the Germany;

(c) if so, the details thereof;

(d) whether any bilateral talks have been held between India and Germany during 1995;

(e) if so, the details thereof and the status at which the trade with Germany stands at present; and

(f) the other steps taken to improve the bilateral trade during 1996-97?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLABULLI RAMAIAH) : (a) The details of balance of Trade between India and Germany during the last three years is as follows:

(Rs. in Crores)

Year	Balance of Trade for India with Germany
1993-94	(-) 781.56
1994-95	(-) 1379.56
1995-96	(-) 3859.14

(Source : DGCI&S)

(b) and (c). Yes, Sir. Government constantly reviews India's export performance with all countries including Germany. Some steps that have been taken to increase India's exports with Germany include participation in international trade fairs in Germany, intensified exchange of business delegations, increased focus on thrust items and promotional activities of the Indo German Export Promotion Project (IGEP).

(d) and (e). Yes, Sir. India's trade relations with Germany was inter alia discussed during the 12th Session of the Indo-German Joint Commission meeting held in Bonn in December 1995. In 1995-96, India's exports to Germany increased by 20.89% and imports from Germany increased by 52.80% as compared to 1994-95. During the period April-June 1996, Indian exports to Germany are of the order of Rs. 1579.79 crores and imports from Germany amount to Rs. 2676.49 crores. This shows an increase of 7.27% in exports and 22.04% in imports respectively.

(f) 15 products have been identified for undertaking special export promotion efforts so as to improve bilateral trade during the coming years. Our Mission in Germany has brought out comprehensive market survey reports so as to facilitate increased exports of these products.

Production of Vehicles during 1995-96

4548. SHRI GEORGE FERNANDES : Will the Minister of INDUSTRY be pleased to state :

(a) the number of cars, trucks, jeeps and two and three wheelers produced in the country during 1995-96;

(b) the number and details of the above vehicles exported during the above period; and

(c) the foreign exchange earned therefrom?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). The number of vehicles produced and exported during the year 1995-96 is as follows:

	Production	Exports
Cars	3,48,242	28,851
Jeeps	67,679	2,470
Medium and HCVs (Trucks and Buses)	1,29,748	8,560
Light Commercial Vehicles	1,29,383	7,810
Three Wheelers	1,73,412	32,214
Two Wheelers	26,56,017	1,14,035

(c) The Foreign Exchange earned through export of automotive vehicles during 1995-96 is estimated at around Rs. 1500 crores.

Free Legal Aid

4549. DR. VALLABH BHAI KATHIRIA :
SHRI RATILAL KALIDAS VERMA:
SHRI CHANDRESH PATEL :

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

(a) the names of States where free legal aid is being provided;

(b) the basis for providing legal aid and the categories of persons who are getting the benefits of such aid;

(c) the number of persons benefited through free aid in various courts of the country during each of the last three years State-wise;

(d) the total expenditure incurred by the Government under this scheme in each State during each of the last three years; and

(e) the targets fixed for providing free legal aid during each of the next two years?

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

(a) The Central Government has enacted the Legal Services Authorities Act, 1987 to provide free and competent legal services to the weaker sections of the society to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disabilities. The provisions of Chapter III of the said Act has been extended to 12 States, namely, Andhra Pradesh, Haryana, Himachal Pradesh,

Madhya Pradesh, Manipur, Orissa, Punjab, Rajasthan, Sikkim, Uttar Pradesh, West Bengal and National Capital Territory of Delhi who have finalised and notified the State Legal Services Authority Rules in their State Gazettes. The provisions of Chapter III of the Act are likely to be extended to the State of Bihar soon. Other States are being persuaded vigorously to finalise the State Legal Services Authority Rules so that the provisions of Chapter III of the Act could be extended to them as well.

(b) The criteria for giving legal services is contained in Section 12 of the Act which is as under :

- (a) a member of a Scheduled Caste or Scheduled Tribe;
- (b) a victim of trafficking in human beings or begar as referred to in article 23 of the Constitution;
- (c) a woman or a child;
- (d) a mentally ill or otherwise disabled person;
- (e) a person under circumstances of undeserved want such as being a victim of a mass disaster, ethnic violence, caste atrocity, flood, drought, earthquake or industrial disaster; or
- (f) an industrial workman; or
- (g) in custody, including custody in a protective home or in a juvenile home or in a psychiatric hospital or psychiatric nursing home; or
- (h) in receipt of annual income less than rupees nine thousand or such other higher amount as may be prescribed by the State Government, if the case is before a court other than the Supreme Court, and less than rupees twelve thousand or such other higher amount as may be prescribed by the Central Government, if the case is before the Supreme Court.

Provided that the concerned Authority is satisfied that such person has *prima facie* case to prosecute or to defend. [S. 13(1)]

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

(d) The State Legal Aid and Advice Boards and the State Legal Services Authorities are being funded by the respective State Governments. No allocation of funds from the Central Government grant to the States is, as such, earmarked for giving legal aid in courts.

(e) Free legal aid is a continuing process and, as such, it is not possible to fix any target.

Mahila Banks

4550. SHRI DILEEP SANGHANI : Will the Minister of FINANCE be pleased to state :

(a) whether the RBI has issued any instructions to the commercial banks in the country to man the Mahila Bank branches by women only;

(b) if so, the details thereof;

(c) the details of banks opened in the country so far which are being manned by the women exclusively, bank-wise, branch-wise and location-wise; and

(d) the steps being taken to open such more banks in the country?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India (RBI) has reported that it has not issued any instructions to commercial banks for opening branches to be manned only by women.

(c) and (d). RBI has further reported that as on 31st May, 1996, there were 68 women urban cooperative banks throughout the country. The data reporting system of RBI does not, however, generate information regarding branches of various commercial banks manned exclusively by women.

Duty on Import of Steel

4551. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of FINANCE be pleased to state :

(a) the total quantum of stainless steel required to be imported in the country at present alongwith the details of imports and duty levied on the imports during the last three years;

(b) whether the Government propose to review the duties levied each year in the face of large scale evasion and to take new measures to check this evasion;

(c) the value of steel confiscated during the last three years alongwith the details of method of disposal of the same;

(d) whether the Government propose to streamline the method in this regard; and

(e) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) As per information available the quantity of stainless steel imported, customs duty collected thereon and the rate of basic customs duty on stainless steel, during the last three years are given below:

Year	Imports (000 MT)	Duty (Rs. cr.)	Rate
1993-94	43.2	49.89	65%
1994-95	18.6	81.56	50%
1995-96	58.1	159.73	40%

The quantum of stainless steel required to be imported depends on variety of factors, such as domestic production, prices in the domestic and international markets, the domestic demand and the production in related sectors. Hence it is not possible to quantify the stainless steel required to be imported.

(b) Normally, duty structure in respect of various commodities is reviewed before preparation of general Budget proposals. Changes made in basic customs duty structure on stainless steel and products thereof in this year's Budget, are given below:

Stainless Steel slabs	:	20%
H.R. Coils	:	25%
C.R. Coils and other products	:	30%

(c) Information in this regard is being collected and will be laid before the House in due course.

(d) and (e). The method of disposal of absolutely confiscated goods, including stainless steel, is either through auction or through tenders. No difficulty has been faced in this method of disposal.

Multinational Corporations

4552. SHRI UTTAM SINGH PAWAR :
 SHRI RAJKESHAR SINGH :
 SHRI AMAR PAL SINGH :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to invite foreign institutional investors to increase foreign investment in the country and to give autonomy to PSEs;

(b) if so, the special measure taken to attract foreign investment and the areas of such investment explored so far; and

(c) the estimated foreign investment likely to be increased therefrom?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) With a view to promote modernisation and

technological upgradation, investments from other countries including foreign institutions is encouraged. The Common Minimum Programme of the United Front envisages that the Govt. will help to make public sector strong and competitive.

(b) To encourage foreign direct investment, the Govt. have, among other things, revamped the Foreign Investment Promotion Board and have also constituted the Foreign Investment Promotion Council which would suggest ways and means for investment promotion. The sectors like power, telecom, railways and ports need huge investment.

(c) While it is not possible to anticipate the likely inflow of foreign investment in advance, trends in the foreign direct investment approvals so far, has been satisfactory.

Reservation for Handloom Sector

4553. SHRI ANAND RATNA MAURYA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have cut down the list of 20 items reserved for exclusive production for handlooms sector;

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

(c) whether the Government propose to review its decision to safeguard the interests of the weavers; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) :
 (a) to (d). The Handlooms (Reservation of Articles for Production Act, 1985 aims to protect and develop handloom industry by reserving articles or class of articles for exclusive production by Handlooms. The Act provides for periodic review of list of reserved articles based on the recommendations of an Advisory Committee. In pursuance of recent recommendations of the Advisory Committee, the Govt. have notified a list of 11 articles which are reserved for exclusive production by Handlooms.

Banking support to Tea Gardens of Assam

4554. DR. PRABIN CHANDRA SARMA :
 DR. ARUN KUMAR SARMA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the Tea Gardens of Assam are suffering from lack of banking support in the matter of their expansion and modernisation programmes; and

(b) if so, the steps proposed to be taken to remedy the situation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India (RBI) has reported that no complaints have been received from individual units regarding denial of bank credit to tea gardens in Assam for their expansion and modernisation plans. However, the Tea Association of India had reported to RBI that banks had lost interest in financing schemes for development of tea plantations on account of stoppage of refinancing of loans for the purpose by National Bank for Agriculture and Rural Development (NABARD). Keeping in view NABARD's resources availability and comparatively comfortable resources, position of commercial banks vis-a-vis Cooperative Banks/Land Development Banks, NABARD have decided to extend refinance support to commercial banks only for project-based lending in thrust areas which *inter alia* include horticulture, floriculture, animal husbandry, fisheries (other than brackish water aquaculture), seed processing, sericulture and other innovative and specifically approved schemes. NABARD would, however, continue to extend refinance support to commercial banks for loans under non-farm sector, SC/ST Action Plan and Externally Aided Projects.

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

RBI has also issued a circular in August, 1996 to all scheduled commercial banks classifying all short-term advances to traditional plantations (i.e. tea, coffee, rubber and spices), irrespective of the size of holdings, as direct agricultural advances under priority sector.

[Translation]

Loan Waiver Scheme in Haryana

4555. DR. ARVIND SHARMA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Haryana has sent any proposal to the Union Government for extending the benefits of agricultural and rural loan waiver scheme to the people of the Scheduled Castes/Scheduled Tribes who borrowed loans from the nationalised banks in the State;

(b) whether the Union Government propose to extend the period for repayment of loans given to the State Government under the scheme; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) National Bank for Agriculture and Rural Development (NABARD) has reported, after ascertaining from the Director, Institutional Finance, Government of Haryana that no such proposal has been sent.

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

[English]

Export of Sport Items

4556. DR. M. JAGANNATH : Will the Minister of COMMERCE be pleased to state :

(a) the target set for the export of Sports goods and the achievements made during each of the last three years; and

(b) the steps taken by the Government to boost the export of non-traditional Sports Goods like ice hockey, camping kits and other items?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The target set for the export of sports goods and the achievements made during each of the last three years are :

(Value in Rs. crores/US\$ M)

Years	Target		Achievement	
	(In Rs.)	(In US\$)	(In Rs.)	(In US\$)
1993-94	120.00	37.00	133.82	42.66
1994-95	165.00	52.00	179.91	57.30
1995-96	205.00	65.00	207.50	61.72

(Source : Sports Goods Export Promotion Council)

(b) Based on the recommendations of the Sub-Committee, the Sports Goods Export Promotion Council identified several non-traditional items like ice hockey, camping kits etc. for setting up joint ventures in India. This Ministry has written to our Missions in USA and Canada to explore the possibilities of setting up Joint ventures with leading sports goods manufacturers of USA. Towards this end, our Missions have circulated the profiles of Indian sports goods manufacturers to various Chambers of Commerce and Associations in USA

Exemption of Interest on Agricultural Credit

4557. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have taken a decision to exempt agricultural credit from interest;

(b) if so, it's approximate impact on country's exchequer;

(c) whether necessary direction has been sent to different States in this regard; and

(d) the date from which the exemption of interest is likely to come into effect?

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

(b) to (d). Does not arise.

Winding up Modernisation of Cotton Weaving and Spinning Mills

4558. SHRI NAMDEO DIWATHE: Will the Minister of FINANCE be pleased to state:

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

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

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). The Board for Industrial and Financial Reconstruction (BIFR) has reported that as on 31.07.1996, it had sanctioned rehabilitation schemes in respect of 13 sick textile industrial companies and recommended winding up of six six textile industrial companies in the State of Maharashtra. The details are given in the attached statement.

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

STATEMENT

List of Sick textile industrial companies in the State of Maharashtra registered with BIFR. upto 31.07.1996

Revival schemes sanctioned by BIFR

1. J.B. Textile Ind. (P) Ltd.
2. Raghvanshi Mills
3. Nirlon Ltd.
4. Jay Bharat Synthetics
5. Devagiri Textile Mills

6. Kalameshwar Textile Mills Ltd.

7. Katau Makanji Spg. & Wvg.

8. Phoenix Mills Ltd.

9. Matulya Mills

10. Kamla Mills

11. Popul Spg. Mills

12. Industrial Development & Investment Company

13. Modern Mills

Winding up recommended by BIFR

1. Alpna Textile Processing Pvt. Ltd.

2. Emerald Woollen Mills

3. Ilac Ltd

4. Pulgaon Cotton Mills Ltd.

5. Madhavnagar Cotton

6. The Pratap Spg. Wvg. & Mfg. Company Ltd.

[Translation]

Testing Centres for Gems

4559. SHRI JAI PRAKASH AGARWAL: Will the Minister of COMMERCE be pleased to state:

(a) the details of Gem Testing Centres functioning in the country, State-wise and Union-territory-wise;

(b) whether the Government propose to set up some more centres in the country, particularly in Delhi;

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

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) As per information available with the Gems & Jewellery Export Promotion Council, there are 14 Gem Testing Centres which are functioning in the country. They are as follows:-

1. Indian Gemmological Institute, Delhi.
2. Gem Testing Laboratory, Jaipur (Rajasthan).

3. Gemmological Institute of India, Mumbai (Maharashtra).

Export of Imported Goods

4. Gem Testing Laboratory, Mumbai, Maharashtra.

4561. DR. T. SUBBARAMI REDDY:
SHRI SULTAN SALAHUDDIN OWAISI:

5. Pangam Enterprises, Pune, Maharashtra.

Will the Minister of COMMERCE be pleased to state:

6. Gem Testing Laboratory, CPL, GSI, Calcutta (West Bengal).

(a) the details of the new customs provisions which allow import of goods without licence if the goods are to be re-exported with a value addition of 10% or more;

7. Gem Testing Laboratory, Madras (Tamil Nadu).

(b) whether the new provisions are being misused by many importers;

8. Sri Ramkrishna Gem Testing Laboratory, Salem (Tamil Nadu).

(c) if so, the details thereof and the steps taken to check the misuse of the provision; and

9. Gem Testing Laboratory, Trivandrum (Kerala).

(d) the action taken against the fraudulent firms?

10. Gem Testing Laboratory, Hyderabad (Andhra Pradesh).

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (d). There is no provision in the Customs Act, 1962, permitting import of goods without a licence if the goods are to be re-exported with a value addition of 10% or more. However, as per Paragraph 128 A of the Exim Policy 1992-97 (RE: March, 1996), any item appearing in the Negative List of imports or Negative List of Exports (except prohibited items in either list) may be imported for re-export without a licence subject to the conditions that (a) there is a minimum value addition of 10%; (b) the goods are imported under Customs Bond; (c) import and re-export are made from the same Customs Bonded premises; and (d) the goods are not taken outside the Customs Bonded premises. Thus adequate safeguards have been provided to prevent any possible misuse.

11. Indian Diamond Institute, Surat.

12. Indian Institute of Technology, Mumbai (Maharashtra).

13. S.G. Jhaveri Centre for Diamond Technology, Mumbai (Maharashtra).

14. St. Xaviers College, Mumbai (Maharashtra).

(b) to (d). There is no proposal with the Government to set up more Testing Centres for Gems. Indian Gemmological Institute caters to the requirements of Gem Trade in Delhi.

[English]

Setting up of Brand Acquisition Fund

4560. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to set up a Brand Acquisition Fund;

(b) if so, the main features of the proposed fund; and

(c) the extent to which it is likely to help in promoting Indian brands in the International markets?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (c). No such fund has been set up by the Ministry of Commerce as on date. However, it is proposed that once the India Brand Equity Fund (IBEF) is fully operational, a proposal for setting up a Brand Acquisition Fund will be put up to its Board of Trustees for examination.

Exports to Gulf

4562. SHRI SONTOSH MOHAN DEV: Will the Minister of COMMERCE be pleased to state:

(a) whether it is fact that China poses stiff challenges to Indian Goods in Gulf;

(b) whether the India's exports in textiles, garments, plastics and rubber sectors have come down in comparison to Chinese exports where India had been the key supplier in the past;

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

(d) whether the Government have conducted any study in this regard;

(e) if so, the details thereof; and

(f) if not, the steps taken or proposed to be taken in this regard?

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

(b) to (f). India's total exports to the Gulf countries (6 GCC countries viz. Bahrain, Kuwait, Oman, Qatar, Saudi Arabia & UAE) during the past 3 years have been increasing. During 1994-95, exports increased by 2.3% over the previous year; the increase in 1995-96 was 19% over 1994-95 figures; export growth in 1996-97 has been over 36% during the first quarter when compared with last year.

India's export in textiles garments, plastic & rubber sectors, the position during last 3 years exports to Gulf is as under:-

(Rs. in crores)			
Item	1993-94	1994-95	1995-96
Textiles	864.83	1041.59	1201.96
Garments	574.03	459.72	552.20
Plastics	258.72	292.06	268.89
Rubber	94.04	128.74	196.13

Export of garments declined in 1994-95 to the extent of 19.9% over 1993-94 figures, but picked up in 1995-96. In the plastic sector exports marginally declined by 7.90% in 1995-96 compared with 1994-95. In other cases export growth has ranged from 12% to 50% over the previous year. In sectors like textiles, garments, machinery, and electrical equipments, Chinese Exports to the gulf have reportedly grown at a faster pace. However, part of the goods sourced from China are, it is understood, re-exported from Hong Kong & Singapore. Chinese goods in turn are reportedly are exported from the Gulf to Iran, North Africa and East Africa. These factors and non availability of authentic data precludes a precise conclusion from an analysis of relative growth item by item.

However, steps are taken on continuous basis to increase our exports in competition to other countries. Some of these are as under:-

- (i) Participation in International fairs and exhibitions;
- (ii) ingraining competitiveness in manufacturer and product quality;
- (iii) exchange of delegation both at official and business level to identify and expand opportunities and diversification of the export basket.
- (iv) improve export facilitation.

Industries in Assam

4563. DR. ARUN KUMAR SARMA:
DR. PRABIN CHANDRA SARMA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether any survey has been conducted in the North Eastern States particularly in Assam for setting up of small, medium and heavy industries for the generation of employment;

(b) if so, the number of industries set up and started functioning during each of the last three years in private and public sector in the said States; and

(c) the details of industries given subsidy such as industry subsidy, transport subsidy and such other subsidies to generate employment in industries in the N.E. States?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c). Information is being collected and will be laid on the Table of the House.

Working results of Associate Banks of S.B.I.

4564. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) the number of associate banks of State Bank of India as on date;

(b) the working results of each of the associate banks during each of the last three years;

(c) whether the Government propose to amalgamate all these banks; and

(d) if so, the time by which decision is likely to be taken in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) At present there are seven Associate Banks of State Bank of India.

(b) The profit/losses of these banks, bank-wise, during the last three years, is furnished below:-

(Rupees in crores)				
Sl. No.	Name of the Bank	As on 31.3.94	As on 31.3.95	As on 31.3.96
1.	State Bank of Bikaner and Jaipur	6.50	8.04	25.79
2.	State Bank of Hyderabad	24.48	43.60	50.00

Sl. No.	Name of the Bank	As on 31.3.94	As on 31.3.95	As on 31.3.95
3.	State Bank of Indore	3.65	9.09	12.08
4.	State Bank of Mysore	2.39	2.92	25.63
5.	State Bank of Patiala	29.14	32.64	52.14
6.	State Bank of Saurashtra	5.58	14.00	(-) 230.31
7.	State Bank of Travancore	9.34	20.70	26.20

(c) There is no such proposal under consideration of the Government at present.

(d) Does not arise.

[Translation]

Export of Woollen Clothes

4565. SHRI RAMASHRAYA PRASAD SINGH.
SHRIMATI SHEELA GAUTAM:
SHRI RAMESHWAR PATIDAR:

Will the Minister of TEXTILES be pleased to state:

(a) whether Wool and Woollen Export Promotion Council, New Delhi have formulated any programme for earning more foreign exchange by the export of readymade Woollen garments during the year 1996-97; and

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

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). No, Sir. The Wool and Woollens Export Promotion Council has not formulated any special programme for increasing the exports of readymade woollen garments during the year 1996-97. However, in order to step up the exports of woollen textiles and clothing, including readymade garments, the Council is planning to participate in fairs/exhibitions to be held in Switzerland, Hongkong, Canada and Brazil during the current year.

[English]

Capital Investment in Public Sector

4566. SHRI O.P. JINDAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether the return of capital investment made by the Government in Public Sector Undertakings is extremely low;

(b) if so, the details thereof; and

(c) the steps being taken to increase returns on investment made in the public sector?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). The return of capital investment made by Government in public sector undertakings is low but it has increased during the last three years from 2% in 1991-92 to 2.33% in 1992-93 and further increased to 2.84% in 1993-94 and 4.47% in 1994-95.

(c) The steps being taken to improve the performance of PSUs and thereby increase returns on investment are enterprise specific. However, some of the steps taken by the Government include professionalisation of PSU Boards, reference of sick PSUs to BIFR for revival/rehabilitation, rationalisation of labour force, signing of MOU, technology upgradation, restructuring with the objective by improving their efficiency, productivity and profitability.

Amendment in Indian Coffee Act, 1942

4567. SHRI PRADIP BHATTACHARYA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have received any representations from various coffee growers associations for amendment or even scrapping of the Coffee Act, 1942;

(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) and (b). Yes, Sir. The United Planters Association of South India (UPASI), Coonoor, have submitted a set of proposals for amendments of various provisions of the Coffee Act, deletion of some provisions of the Coffee Act and addition of new provisions to Coffee Act. The main thrust of the amendments proposed by UPASI are:

- (i) The Coffee Board should be more development and promotion oriented than control oriented;
- (ii) The Coffee Board should have a small and compact Board of 17 Members;
- (iii) Removal of quota system and to make the pooling of Coffee with the Board optional;
- (iv) Retention of provisions of pooling for sake of small growers;
- (v) Purchase of the coffee by the Board and thereby indulging in trading activities;
- (vi) Removal of controls like licencing of the curing works and issue of permit to exporters;

(c) The representation will be kept in mind if and when the Act is amended.

Social Clause under WTO

4568. SHRI MADHAVRAO SCINDIA: Will the Minister of COMMERCE be pleased to state:

(a) whether any social clause has been imposed under the World Trade Organisation (WTO) agreement and some European and other countries have been insisting on labelling various products imported by them, as being "child-labour free" goods;

(b) if so, the details thereof;

(c) the extent to which our export is likely to be affected therefrom; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). No, Sir. However, due to certain media exposure on the subject of child labour, consumers in some developed countries, including in Europe, have been purchasing products labelled as being "child labour free".

(c) It is not possible to make any such assessment.

(d) Government has introduced a label "Kaleen" for carpets made without child labour.

[Translation]

Supply of Coal to Power Plants

4569. SHRI N.J. RATHWA: Will the Minister of COAL be pleased to state:

(a) whether the power plants of Gujarat are still being supplied irregularly and inferior quality of coal;

(b) if so, the details thereof;

(c) whether some complaints have been received in this regard from July 15, 1996 till date;

(d) if so, the details thereof; and

(e) the action taken or proposed to be taken for ensuring regular supply of good quality of coal to the power plants in Gujarat?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (e). The details of linkages vis-a-vis supply of coal to the power houses in the State of Gujarat during the period April-July, 1996 are given below:-

(In '000 tonnes)

Linkage	6145
Supply	4563

Normal supplies of coal to the Gujarat power stations got regulated to the extent of advance payments paid by Gujarat Electricity Board (GEB).

The Thermal Power Stations by and large have been supplied agreed quality of coal for which their boilers are designed. Generally the complaints regarding quality of coal being supplied to the power houses relate to the presence of extraneous material in coal as also supply of over-sized coal. These complaints are examined on the merit of each case and corrective action is taken to redress the grievances of the consumers.

In order to bring down the quality complaints, steps like installation of feeder breakers, segregation of stones at the time of loading of coal, better supervision and encouraging the consumers to post their representatives at the loading point for quality loading are taken by the coal companies.

[English]

Foreign Assistance for the Development of Projects

4570. SHRI KACHARU BHARU RAUT:
SHRI DATTA MEGHE:

Will the Minister of FINANCE be pleased to state:

(a) the total foreign assistance provided by the Union Government for the development of various projects of Bihar and Maharashtra during the last three years, State-wise;

(b) the details of projects, State-wise; and

(c) the present position of these projects, State-wise?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The total foreign assistance provided by the Union Government for the development of various projects of Bihar and Maharashtra in the form of Additional Central Assistance (ACA) during the last three years is as follows:

	(Rs. Crore)		
	ACA Released during		
	1993-94	1994-95	1995-96
(i) Bihar	24.89	72.01	32.02
(ii) Maharashtra	927.56	562.58	721.20

(b) The State-wise details of such projects are given in the attached Statement.

(c) In the case of Bihar, many of the projects have since been closed. The remaining projects are at various stages of implementation. For example, Tourism Infrastructure

Development Project is at the terminal stage, while projects like Shrimp and Fish Culture have still three years left for its completion. In the case of Maharashtra while many projects are closed, others are at various stages of implementation. For example, Chandrapur Podghe is at the initial stage of implementation, while Water Control System for Development of Cooperation is at the terminal stage.

STATEMENT

Project-wise ACA Released During Last Three Years

State: Bihar

(Rs. in crore)

S.No.	Source	Name of the Project	Opening/ closing Date	ACA Released during		
				1993-94	1994-95	1995-96
1	2	3	4	5	6	7
1.	IDA	Bihar Plateau Dev.	07.12.92/ 30.06.98	-	11.29	17.68
2.	Japan	Eastern Gandak Cana Hydro Proj.*	26.12.84/ 31.12.94	2.04	1.93	-
3.	IDA	Shrimp & Fish Culture	29.01.92/ 30.06.99	0.07	0.07	0.05
4.	IBRD/IDA	State Road Proj.*	17.11.88/ 30.06.96	12.10	7.17	10.78
5.	Japan	Tourism Infrs.	15.12.88/ 20.01.97	3.09	10.48	2.55
6.	IDA	National Water Mgt.*	12.05.87/ 31.03.95	2.30	1.94	-
7.	IDA	Tech. Edu. I	13.08.90/ 30.06.98	1.17	0.20	0.96
8.	IDA	Bihar Public Tubewells*	13.01.87/ 31.05.94	2.12	38.93	-
9.	U.S.A.	Water Resource Mgm. & Training Project*	30.07.83/ 30.09.92	2.00	-	-
Total				24.89	72.01	32.02

* Project since closed.

State (Maharashtra)

(Rs. in crore)

S.No.	Source	Name of the Project	Opening/ closing Date	ACA Released during		
				1993-94	1994-95	1995-96
1	2	3	4	5	6	7
1.	IDA	Maharashtra Forestry	29.01.92/ 30.09.98	13.94	24.92	12.39
2.	United Kingdom	Maharashtra Rural Drinking Water Supply	10.09.81/ 30.09.96	5.25	5.43	10.11
3.	IBRD	Maharashtra Power	11.09.89/ 31.12.96	153.79	155.60	59.41
4.	IBRD	Second Maharashtra Power Project	08.07.92/ 30.06.98	3.97	72.01	82.12
5.	Japan	Ujjani Hydro-Electric*	25.11.85/ 25.05.94	1.72	0.95	-
7.	FRG	Uran Combined Cycle Power Stn*	22.11.90/ 30.09.94	322.04	9.47	55.78
8.	IDA	Maharashtra Irrigation	05.12.85/ 30.12.96	107.21	119.77	64.54
9.	EEC Grants	Water Control System for Dev. of Cooperation	25.10.88/ 31.12.96	1.85	-	-
10.	IDA	3rd Bombay Water Supply*	12.05.87/ 30.06.96	85.75	37.67	37.05
11.	IDA	Maharashtra Rural Water Supply	05.06.91/ 31.12.97	35.91	21.78	27.59
12.	IDA	Maharashtra Emer. Earthquake Recon. Pj.	06.04.94/ 30.06.97	-	27.36	145.81
13.	IFAD	Maharashtra Rural Credit	01.06.93 30.09.00	-	-	1.60
14.	IBRD/ IDA	State Road Proj.*	17.11.88/ 30.06.96	50.32	36.54	20.93
15.	IDA	National Water Mgt.*	12.05.87/ 31.03.95	0.81	0.18	0.41
16.	IDA	Tech. Edu. II	16.12.92/ 30.06.99	7.43	21.86	11.12
17.	IDA	Vth Population	16.09.88/ 31.12.96	-	2.89	8.70

1	2	3	4	5	6	7
18.	IDA#	Sardar Sarovar Project	01.03.85/ 30.06.95	9.73	13.89	23.32
19.	Sweden	Chandrapur Podghe	28.02.94/ 30.06.97	-	-	141.64
20.	Japan	Govt. Engineering College, Pune*	22.06.93 -	-	-	18.68
21.	IBRD	Chandrapur Thermal Power Project*	16.09.85/ 31.03.94	39.54	8.26	-
22.	IDA	Rainfed Area Watershed Project*	08.02.84/ 31.12.93	2.40	0.78	-
23.	IDA	Bombay Urban Dev.*	01.03.87/ 30.09.94	85.90	3.22	-
Total				927.56	562.58	721.20

* Project since closed

While World Bank loan has been discontinued, ACA is being released to the Project.

[Translation]

Closure of Heavy Production Cost Mines

4571. PROF. RITA VERMA: Will the Minister of COAL be pleased to state:

(a) whether the Government propose to close down the heavy production cost coal mines of B.C.C.L.;

(b) if so, the names of mines which are likely to be closed down;

(c) the production cost in these coal mines;

(d) the number of labourers working in these coal mines;

(e) the grade-wise production of coal from these mines; and

(f) the scheme prepared for reemployment and rehabilitation of labourers likely to be rendered jobless due to closure?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The government has no proposal for imminent closure of heavy production cost coal mines in BCCL.

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

[English]

Coal Washeries

4572. SHRI BASUDEB ACHARIA:
SHRI SANDIPAN THORAT:

Will the Minister of COAL be pleased to state:

(a) the details of the coal washeries set up as on date and their installed capacities;

(b) whether there is a proposal to modernise the washeries of BCCL and CCL to increase the production of washed coal;

(c) if so, the details thereof;

(d) whether washed coal is being imported in large quantities;

(e) if so, the reasons therefor; and

(f) the volume of coal imported in the Eighth Plan and the foreign exchange spent thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) There was fifteen coking coal washeries having an annual throughout capacity of 25.22 million tonnes functioning under Coal India Limited (CIL). Washery-wise details indicating operable capacity against each are given below:-

Name of washeries	Operable capacity (million tonnes/annum)
<i>Bharat Coking Coal Limited (BCCL)</i>	
Dugda (I & II)	3.80
Bhojudih	1.70
Patherdih	1.80
Sudamdih	2.00
Moonidih	2.00
Lodha	0.40
Barora	0.42
Mohuda	0.63
<i>Central Coalfields Limited (CCL)</i>	
Kargali	2.72
Kathara	3.00
Swang	0.75
Gidi	2.00
Rajrappa	3.00
<i>Western Coalfields Limited (WCL)</i>	
Nandan	1.20

(b) and (c). The work of modernisation of 10 existing coking coal washeries (6 in BCCL and 4 in CCL) was taken up in accordance with the recommendations of an Expert Committee. The modernisation works to be completed, related to 'short-term' and 'long-term' measures. The implementation of short-term measures have been completed in all the washeries. The implementation of long-term measures is in progress. Initially, the delay was on account of shortage of funds with the coal companies. Presently, the delay is due to

non-commissioning of deshaling plants on the part of the turn-key contractors.

(d) and (e). Steel plants are importing low ash coking coal to bridge the gap between the requirement and indigenous availability and also to improve the quality of overall blend for technological reasons.

(f) The quantity of coking coal imported and the equivalent of foreign exchange spent during the 1st four years of the Eighth Plan period is as under:

Year	Quantity (in million tonnes)	Approx. value (Rs. in crores)
1992-93	6.23	1263.84
1993-94	6.94	1359.99
1994-95	10.16	1954.39
1995-96 (upto January, 96)	7.05	1569.923

(Source: DGCT &S, Calcutta)

Advance Limit of States

4573. SHRI SANAT MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has doubled the limit on ways and means of advances to the States recently;

(b) if so, the details of old and new limits; and

(c) the reasons for increasing the said limits?

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

(b) A statement is enclosed.

(c) RBI reviewed the position having regard to current needs of the State Governments and keeping in mind the overall economic and monetary situation.

STATEMENT

Existing Limits for Ways and Means
Advances to State Governments with
Effect from November 1, 1993

Revised Limits for ways and Means
Advances to State Governments with
Effect from August 1, 1996

State	Minimum Balance with R.B.	Normal (84 times of Col.2)	Special (32 times of col.2)	Total	Normal (168 times of col.2)	Special (64 times of col.2)	Total
1. Andhra Pradesh	1.00	84.00	32.00	116.00	168.00	64.00	232.00
2. Arunachal Pradesh	0.10	8.40	3.20	11.60	16.80	6.40	23.20
3. Assam	0.40	33.60	12.80	46.40	67.20	25.60	92.80
4. Bihar	0.70	58.80	22.40	81.20	117.60	44.80	162.40
5. Goa	0.10	8.40	3.20	11.60	16.80	6.40	23.20
6. Gujarat	0.70	58.80	22.40	81.20	117.60	44.80	162.40
7. Haryana	0.30	25.20	9.60	34.80	50.40	19.20	69.60
8. Himachal Pradesh	0.20	16.80	6.40	23.20	33.60	12.80	46.40
9. Karnataka	0.80	67.20	25.60	92.80	134.40	51.20	185.60
10. Kerala	0.60	50.40	19.20	69.60	100.80	38.40	139.20
11. Madhya Pradesh	0.80	67.20	25.60	92.80	134.40	51.20	185.60
12. Maharashtra	1.50	126.00	48.00	174.00	252.00	96.00	348.00
13. Manipur	0.10	8.40	3.20	11.60	16.80	6.40	23.20
14. Meghalaya	0.10	8.40	3.20	11.60	16.80	6.40	23.20
15. Mizoram	0.10	8.40	3.20	11.60	16.80	6.40	23.20
16. Nagaland	0.10	8.40	3.20	11.60	16.80	6.40	23.20
17. Orissa	0.60	50.40	19.20	69.60	100.80	38.40	139.20
18. Punjab	0.60	50.40	19.20	69.60	100.80	38.40	139.20
19. Rajasthan	0.60	50.40	19.20	69.60	100.80	38.40	139.20
20. Tamil Nadu	1.10	92.40	35.30	127.60	184.80	70.40	255.20
21. Tripura	0.10	8.40	3.20	11.60	16.80	6.40	23.20
22. Uttar Pradesh	1.70	142.80	54.40	197.20	285.60	108.80	394.40
23. West bengal	1.00	84.00	32.00	116.00	168.00	64.00	232.00
	13.30	1117.20	425.60	1542.80	2234.40	851.20	3085.60

Disable Persons on Board of Banks

4574. SHRI N.S.V. CHITTHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have directed the nationalised banks/commercial banks to have a disabled nominated on the Board of Directors with a view to represent them under the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996; and

(b) if so, the details thereof and the follow-up action taken by banks thereon.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). Nomination of directors on the Boards of public sector banks is made in accordance with the provisions of the relevant statutes governing such nominations. These statutes do not specifically provide for appointment of disabled persons on the bank's Board of Directors.

Sale of Coal

4575. SHRI BANWARI LAL PUROHIT: Will the Minister of COAL be pleased to state:

(a) whether the coal produced at Kamptee, Sillewara Group of Mines and Saoner Mines are sold to other customers whereas two major power stations Koradi and Khaparkheda are connected by ropeways to Sillewara Group of Mines and Kamptee Collieries;

(b) if so, whether the irrational sale of coal from these mines to the customers other than Koradi and Khaparkheda power stations, leading to extra freight expenditure, unnecessarily for transport of equivalent coal from Bilaspur in Madhya Pradesh and Sambalpur in Orissa to these Power Stations; and

(c) if so, the corrective measures Government propose to take in this regard?

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

(b) Coal from these mines is also required to be supplied to linked industrial consumers in the Vidharba region of Maharashtra, besides being despatched to Koradi and Khaparkheda Power Stations of Maharashtra and Sarni thermal power stations of Madhya Pradesh as per the quarterly linkages sanctioned by the Standing Linkage Committee (short-term). Some of these industrial consumers have traditionally been lifting coal from these mines. Besides the quality of coal required by these industrial consumers cannot be met from alternate sources. The coal production in these mines is also not adequate to meet the full requirement

of Koradi and Khaparkheda power stations and transportation of coal from sources in Madhya Pradesh and Orissa is inevitable.

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

Sericulture Projects

4576. SHRI R. SAMBASIVA RAO: Will the Minister of TEXTILES be pleased to state:

(a) the policy of the Government in respect of introduction of sericulture projects in the States;

(b) the work done so far under these projects particularly in Andhra Pradesh;

(c) the production of silk in the A.P. during the last three years; and

(d) the steps taken by the Government to increase the export of silk yarn?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). The programmes/projects for implementation/expansion/development of sericulture in the States are primarily undertaken by the concerned state Governments. The interested States can avail of the assistance/technical opinion of the Central Silk Board (CSB) in project formulation as also on the feasibility of taking up such programmes with reference to agro-climatic conditions. The States can also avail of the benefits of various programmes being implemented by the CSB for extending R & D, extension, training & infrastructural support for the development of sericulture.

Although the CSB has from time to time taken up a number of sericulture development projects (both for mulberry and non-mulberry) in various States, the major projects which have specifically benefitted Andhra Pradesh are National Sericulture Project, Indo-Swiss Mulberry Development Project and Swiss assisted Inter-State Tasar Project. These projects have helped in expansion of sericulture and creation of necessary infrastructure in the State and Andhra Pradesh currently ranks second among the silk producing States of the country.

(c) The production of raw silk in Andhra Pradesh during 1993-94, 1994-95 and 1995-96 was 2229, 2451 and 2364 (provisional) tonnes respectively.

(d) Under the existing Export-Import Policy there are no restrictions on export of silk/silk yarn. However, in order to maximise foreign exchange earnings, the Government encourages export of value added silk products.

Payment of Variable Dearness Allowance

4577. SHRI HARADHAN ROY: will the Minister of INDUSTRY be pleased to state:

(a) whether enhanced variable dearness allowance has been paid to all the officers and employees of various Public Sector Undertakings;

(b) if so, the rate at which the payment has been made;

(c) if not, the reasons therefor; and

(d) the steps taken or proposed to be taken to make the above payment to all the categories of employees expeditiously?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d). Central Public Sector Undertakings have been advised through their administrative Ministries/Departments to pay enhanced variable dearness allowance as per the slab system to all their officers and employees w.e.f. 1.1.92 whose pay scales have been revised as per D.P.E.'s O.M. dated 19.7.95. The managements of the respective enterprises are to give effect to the revised pay scales and the variable D.A. Scheme and the administrative Ministries/Departments are to monitor implementation of the same.

Trade with SAARC Countries

4578. SHRI SURESH PRABHU: Will the Minister of COMMERCE be pleased to state:

(a) the total value of trade transacted by India with SAARC countries during each of the last three years;

(b) whether the Government propose to have common market with SAARC countries;

(c) if so, the details thereof; and

(d) the steps taken to improve trade with SAARC countries?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) Total value of trade between India and SAARC countries during the last three years is as given below:

Year	Value (in Rs. Crores. Prov.)
1993-94	3174.08
1994-95	4370.00
1995-96	6562.33

(Source: DGCI & S, Calcutta)

(b) and (c). Heads of Govt. of SAARC countries have decided in May, 1995 that SAARC countries should work towards setting up a Free Trade Area in the region. .

(d) Steps taken to improve trade with SAARC countries include:

Reduction/removal of tariff and non-tariff barriers, exchange of information relating to bulk imports by government agencies, improvement in transport and transit infrastructure, exhibition of existing trade potential of the Member countries with a view to encourage the import requirements of Member countries from within the region, simplification of visa facilities for more frequent inter-action between the Government and business/trade promotion agencies, seminars and workshops at business level and efforts made by the SAARC Chamber of Commerce and Industries to promote economic inter-action within the region etc

Organisation of Trade Fair in Foreign Countries

4579. SHRIMATI VASUNDHARA RAJE: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have any proposal to organise trade fairs in other countries; and

(b) if so, the details of the programme fixed for 1996-97 and the main objectives of organising such trade fairs?

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

(b) The details of the programme for organisation/ participation in trade fairs abroad during 1996-97 are given in the attached statement. The main objective of organising/ participating in trade fairs/exhibitions is to promote India's foreign trade by projecting India's industrial and commercial capabilities to the foreign buyers.

STATEMENT

S.No.	Name of the Event
1.	Royal Easter Show, Auckland (New Zealand), April 3-8, 1996
2.	Corribean Expo Exhibition, Port of Spain (Trinidad & Tobago) April 19-28, 1996.
3.	APLF - Asia Pacific Leather Fair, Hong Kong April 22-25, 1996 (Part-I), April 29 - May 1, 1996 (Part-II).
4.	International Modern Living Exhibition, Tel-Aviv (Israel), July 3-13, 1996

S.No.	Name of the Event
5.	National Hardware Show, Chicago (USA), August 11-14, 1996.
6.	The 5th Taipei International Fair, Taipei (Taiwan), September 4-9, 1996.
7.	Pret-A-Porter Fair, Paris (France), September 6-9, 1996.
8.	Semaine Du Cuir Fair, Paris (France), September 7-10, 1996.
9.	BNV - Budapest International Fair for Consumer Goods, Budapest (Hungary), September 20-29, 1996.
10.	Nairobi International Show, Nairobi (Kenya), September 30-October 5, 1996.
11.	IFMA, Cologne (Germany), October 2-6, 1996.
12.	Tehran International Fair, Tehran (Iran), October 2-9, 1996.
13.	Indian Exhibition, Almaty (Kazakhstan), October 8-13, 1996.
14.	SIAL Food Fair, Paris (France), October 20-24, 1996.
15.	Saudi Arabia's Intl. Trade Fair (Life Style'96), Jeddah (Saudi Arabia), October 20-25, 1996.
16.	SAITEX, Johannesburg (South Africa), October 22-26, 1996.
17.	Indian Exhibition, Sao Paulo (Brazil), November 6-10, 1996.
18.	Quang Trung International Fair, Ho Chi Minh City (Vietnam), November 24-30, 1996.
19.	Dakar Intl. Fair, Dakar (Senegal), Nov. 28-Dec. 9, 1996.
20.	Heimtextil, Frankfurt (Germany), January 8-11, 1997.
21.	Domotex, Hannover (Germany), January 11-14, 1997.
22.	10th International Food & Drink Exhibition, London (U.K.), February 9-13, 1997.

S.No.	Name of the Event
23.	Annual Spring Fair, Basel (Switzerland), Feb. 28-March 9, 1997.
24.	International Hardware Fair, Cologne, March 2-5, 1997.
25.	Expocomer International Fair, Panama City, March 5-10, 1997.
26.	"Made in India" Exhibition, Kathmandu (Nepal), March 15-21, 1997.
27.	TCF International '97 - The International Textile Clothing, Footwear & Fashion Accessory Exhibition, Melbourne (Australia), March 18-20, 1997.
28.	International Fashion Fabric Exhibition, New York (USA), March 20-22, 1997.
29.	Overseas Import Fair "Partners for Progress", Berlin (Germany), March 20-23, 1997.
30.	Kuwait International Fair, Kuwait City, March 26 - April 4, 1997.

Trade Development & Merchandising Department

31.	22nd Osaka International Trade Fair, Osaka, Japan, April 24 - 29, 1996.
32.	West Japan Import Fair, Kitakyuchu, Japan, May 2-5, 1996.
33.	Interbika, Anaheim, USA, September 19-22, 1996.
34.	Automechanika, Frankfurt, Germany, September 10-15, 1996.
35.	BIG-I/APPA, Las Vegas, USA, November 5-8, 1996.
36.	Foodex, Tokyo, Japan, March 12-15, 1997.

Rate Contracts Awarded to WDO/KVIC/ACASH

4580. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have reserved hand spun, hand-woven and all items of handloom textiles for the exclusive purchase from the Khadi and Village Industries Commission/Women Development Organisations by all Ministries/Departments;

(b) if so, the details thereof;

(c) whether the KVIC is able to supply the entire purchase of Ministries/Deptts. for the above items;

(d) if not the extent thereof alongwith the reasons therefor;

(e) whether the Ministries/Deptts. have now started placing their orders for purchase of the items to the Association of Corporations and Apex Societies of Handlooms (ACASH);

(f) if so, the extent to which the Govt. support is provided to them; and

(g) the number of rate contracts awarded to WDO/ACASH so far?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) All items of handspun and handwoven textiles are reserved for exclusive purchase from KVIC. All items of handloom textiles required by Central govt. Deptts. are reserved for exclusive purchase from the notified handloom units through ACASH. Such of the textile items which are reserved for exclusive purchase from KVIC will be purchased from KVIC to the extent KVIC can supply before covering the demand on handloom units through ACASH. To the extent these units can make supplies, orders are placed on them. For the balance quantity, if any, purchases can be made from other sources. Barrack Blankets are to be procured from KVIC/WDO/ACASH.

Procurement guidelines for Barrack Blankets were issued on 18.10.95 according to which ACASH may take the responsibility of acting as the apex body for WDO. 1/3 of the order may be covered with KVIC and 2/3 with ACASH. Out of the 2/3 orders for ACASH, 50% will be met through WDO to the extent possible and demand not met by them as well as shortages from KVIC would be met by ACASH.

(b) Textile items reserved for exclusive purchase from KVIC are - (i) Dosuti; (ii) Pugri Cloth; (iii) Bunting Cloth; (iv) Dangri Cloth; (v) Sheeting Cloth; (vi) Bed Sheets; (vii) Dusters; (viii) Towels; (ix) Sarees; (x) Dhotis (un-bleached); (xi) Pillow Cases; (xii) Readymade Garments (shorts); (xiii) Blouses; and (xiv) Skirts etc. List of Handloom textile items are given in the attached statement.

(c) to (f). After decentralisation of purchase, various Ministries/Departments are free to make purchases on their own as per the policies enunciated above. No centralised information is being maintained for this. DGS & D have been concluding rate contracts with KVIC for some of the items reserved for them. At present, rate contract is for few items valid for the period 1.1.96 to 31.12.96. By and large KVIC have been meeting the requirements for items on rate contracts. DGS & D has not placed any order on ACASH for the items exclusively reserved for KVIC.

(g) WDO - NIL.

ACASH have been on rate contract for Durries for the period w.e.f. 20.2.89. Current RC is valid upto 30.9.96.

STATEMENT

List of Items Notified for Purchases from Handloom Sector

Title	IS Specification
<i>Cotton Handloom</i>	
Angavastram	7216-1974
Bandage Cloth	868-1969
Bed Durries	1557-1972
Bed Sheets	745-1975
Blankets, Grey or Coloured	746-1955
Bleeding Madras, Coomstate	1937-1961
Buckram Cloth	1102-1968
Bunting Cloth, Dyed	747-1982
Calico, Bleached or Dyed	1241-1958
Cambric, Bleached	1098-1957
Cellular Shirting, Handloom Cotton	1101-1981
Cloth for Plaster of Paris Bandages and Cut Bandages	6237-1971
Coating, Handloom Cotton	1243-1981
Colour Fastness of Handloom Cotton	6906-1982
Textiles, requirement	
Crope	1110-1978
Dhoties	718-1974
Dosutie, Grey, Scourec, Bleached or Dyed	756-1984
Dress Material, Bleached, Dyed, printed striped, or checked	1095-1967
Drills	1451-1979
Dungri Cloth	749-1978
Dusters	859-1978
Floor Durries	1450-1972
Gada Cloth	1094-1976
Gauzo, absorbent, non-sterilised handloom cotton	758-1975
Handkerchiefs	1989-1975

Title	IS Specification
Holland Cloth, unscoured	1096-1957
Honeycomb Towels and Towelling cloth	855-1979
Huckback Towels	856-1971
Jaconet Cloth, Grey, Dressed	861-1982
Light Sheeting, Grey	864-1956
Lining Cloth, Dyed	1099-1957
Lint, absorbent, bleached	757-1971
Long Cloth, Bleached or Dyed	1244-1958
Lungies	750-1971
Longcloth, Bleached or Dyed	1244-1958
Madras Check	1247-1958
Madras Handkerchiefs, Handloom Cotton	1093-1984
Malmal, Bleached	755-1984
Mazri-cloth (loomstate)	751-1984
Mix saris	8039-1976
MOOTUS, Striped or Checked	1814-1964
Mosquito Netting	1097-1979
Muslin, Bleached	752-1984
Nainsook, Bleached or Dyed	1240-1958
Napkins, Bleached, Striped, Checked or Dyed	857-1956
Poplin, Bleached or Dyed	1556-1960
Pugri Cloth, Bleached or Dyed	753-1983
Pysamma Cloth, Grey with Strips	1245-1958
Sanes	754-1974
School Uniform Fabric	8797-1978
Shirting	1242-1975

Title	IS Specification
Songe Cloth, Grey, Striped and Checked	860-1956
Table Cloth and Napkins, Handloom Cotton	858-1981
Ticking Cloth, Grey, Striped	862-1956
Turkish Towels and Towelling Cloth Handloom Cotton	854-1981
Twills	1579-1979
<i>Silk Handloom</i>	
Bushshirt Cloth, Loomstate	1686-1960
Dhoties, Loomstate	1583-1960
Kora (loomstate) Cloth	1687-1960
Shirting, Loomstate	1584-1960
<i>Wool - Handloom</i>	
Blanketing Cloth	895-1957
Blanket, Scarlet	2901-1964
Blankets, Natural Grey Brown	892-1980
Blankets, Ordinary, Plain or Check	893-1957
Blankets Shoddy (Double Faced)	2157-1962
Blankets, Shoddy (Single Faced)	2481-1963
Blankets, Brick Red	894-1980
Bunting Cloth, Worsted, Heavy	889-1957
Bunting Cloth, Worsted, Light	890-1957
Cloth, Collar, White	2715-1964
KAMBLES, Loomstate	896-1957
Lohis Worsted	1268-1958
Melton (Shoddy) Cloth	2173-1962
Serge	1266-1953
Shirting, Worsted	891-1957
Pile Fabric	2417-1964

The Following Items Shall be Procured on the Basis of Samples Approved by Purchaser/Mutually Agreed Specifications

1. Khes
2. Bed Covers
3. Counter Pane
4. Furnishing
5. Chaddar
6. Durrets/Jamakkalam
7. Bashta Cloth
8. Lowreed Pick Cloth
9. Silk Sarees
10. Shawls, Mufflars, Pankhis
11. Woollen Tweed

Change in Status of India Reconstruction Bank of India

4581. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to convert Indian Reconstruction Bank of India into a limited company; and

(b) if so, the details thereof;

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). As announced in the Finance Minister's speech on the Budget for 1996-97, Government propose to transform the Industrial Reconstruction Bank of India (IRBI) into a full fledged all purpose development finance institution.

Collection of Duties from Tea Gardens in Assam

4582. DR. PRABIN CHANDRA SARMA: Will the Minister of COMMERCE be pleased to state:

(a) the amount of revenue collected as duties from the tea gardens of Assam by the Union Government during each of the last three years;

(b) whether the Government have undertaken development/welfare works for these tea gardens;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) As per the estimates available with Tea Board, revenue collected by the Central Government from tea gardens in Assam as cess on production of tea during past 3 years has been as follows:-

Year	(Rs. lakhs) Cess collected
1993	614
1994	598
1995	597

(b) to (d). Tea Board has been operating a number of developmental schemes. Under these schemes financial assistance by way of long term loan, capital subsidy, interest subsidy on bank loans, and grants-in-aid are provided for developmental activities like extension planting, new planting, replanting, rejuvenation, pruning and infilling, irrigation and drainage, modernisation of tea factories etc. Funds for these activities are met by the Tea Board out of the sanctioned plan budget. Tea Board also implements labour welfare schemes in the State which inter-alia include providing grant to the wards of the tea garden workers for pursuing studies above the primary level and also providing financial assistance to educational institutions, hospitals etc. for construction of health centres, extension of educational and vocational training and specialised treatment facilities for the benefit of the tea garden workers and their families.

Postings of Vocational Course Employees in G.I.C.

4583. DR. ARVIND SHARMA: Will the Minister of FINANCE be pleased to state:

(a) the number of vocational course employees of GIC absorbed during 1996 in each of the four subsidiaries of the corporation;

(b) the number of postings made by each of the four companies of the GIC, Station-wise; and

(c) the policy of the Government in regard to postings of such candidates?

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.

Foreign investment ceiling

4584. DR. M.P. JAISWAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to raise the investment ceiling on Foreign Institutional investors; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Amendments to the SEBI (Foreign Institutional Investors) Regulations 1995 have been announced by SEBI, as a follow up of policy announced by Government during the Budget Speech of 1996-97. These amendments provide, inter alia, for an increase in portfolio investment limit for individual FIIs from 5% to 10% of the paid up capital of a company. No change however has been made in the existing aggregate investment limit of 24% for all FIIs/NRIs/OCBs in any company.

Border Trade with Bangladesh

4585. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Indo-Bangladesh trade logjam at Dawki continues;

(b) if so, the reasons therefor; and

(c) the measures taken or are being taken in consultation with the Bangladesh Government to revive border trade between the two countries, as envisaged under the famous Indira-Mujib Pact of March, 1972?

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

(b) Does not arise.

(c) Government have taken up the proposal for resumption of border trade with Bangladesh Government on several occasions. No progress has been made because of lack of a positive response.

System of Promotion

4586. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank has advised India to abandon the system of promotion of civil servants according to the seniority and adopt the South Korean system of promoting Government Officials on the basis of merit;

(b) if so, whether any concrete suggestions in this regard have been received from the World Bank;

(c) if so, whether the Government have agreed to implement those suggestions; and

(d) if so, the details thereof?

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

(b) to (d). Do not arise.

Growth Rate of Industrial Production

4587. SHRI SONTOSH MOHAN DEV: Will the Minister of INDUSTRY be pleased to state:

(a) whether an analysis of Indian industrial production shows that annual average growth rate during 1991-92 to 1995-96 at Growth Production Centres was below the 8.4 per cent achieved during 1986-87 to 1990-91;

(b) if so, whether the figure is lower than the annual average growth rate of industrial production of 7.8 per cent;

(c) if so, the reasons therefor; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). The annual average growth rate of industrial production during 1986-87 to 1990-91 and during 1991-92 to 1995-96 were 8.4% and 6% respectively.

(c) and (d). The overall industrial growth during 1991-93 was constrained because the balance of payment crisis of 1991 necessitated an import squeeze and the tight monetary policy pursued to contain inflation affected both availability and cost of funds. Industrial production recorded a higher annual growth of 9.4% in 1994-95 and 12% in 1995-96. This increase in the rate is due to a number of factors such as cumulative effect of reform in the industrial and other sectors, continuing buoyancy in the growth of export and increased demand for industrial products due to increased incomes.

Rise in Credit Demand

4588. SHRI MADHAVRAO SCINDIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has recently cautioned the banking sector on rising credit demand and deregulation of interest rates in the context of limited availability of funds;

(b) if so, the details thereof; and

(c) the reaction of the banking sector thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). Reserve Bank of India (RBI) has reported that at present banking system has adequate resources to meet all genuine demands for credit. Aggregate deposits for scheduled commercial banks have risen by Rs. 14,862.00 crore (3.4 per cent) so far during the current financial year (March 29, 1996 to August 2, 1996) as compared

with a decline of Rs. 2,390 crore (0.6 per cent) recorded in the comparable period of 1995-96.

The interest rate structure prescribed by RBI to scheduled commercial banks has been deregulated considerably. Banks are now free to determine the term deposits rates for maturities over one year they offer to the public. Similarly, for credit limits over Rs. 2.00 lakh, banks are free to determine their own lending rates. While fixing their deposit and lending rates, banks take into account the cost and likely return on deployment of funds. To guard against banks offering/charging unduly high rates, they have been cautioned to ensure that the interest rates they prescribe need to be sustainable. Also, prescription of prudential norms relating to income recognition, capital adequacy and provisioning is a major safeguard in the matter of sustainability of the interest rates offered/charged by banks.

[Translation]

Notional Dumps in BCCL

4589. PROF. RITA VERMA: Will the Minister of COAL be pleased to state:

(a) the number of Notional Dumps in the collieries of B.C.C.L.;

(b) the locations thereof and the expenditure incurred thereon;

(c) the difference between the centralised coal dump and Notional coal dump and utility thereof, separately;

(d) the amount of dump charge collected per ton on the coal sold from Notional coal dumps; and

(e) the quantum of coal sold from the Notional coal dumps of B.C.C.L. and the dump charge collected in lieu thereof during the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b). As reported by Coal India Limited (CIL), 15 Notional Coal Dumps are located in the collieries of Bharat Coking Coal Limited (BCCL). They are located as follows:-

Sl. No.	Name of Notional Coal Dump	Locations
1.	Damoda Satellite Stockyards	Barora Area
2.	Muraidih Satellite Stockyards	Barora area
3.	JOCP Satellite Stockyards	Block-II Area
4.	Nudkharkee Satellite Stockyard	Block-II Area

Sl. No.	Name of Notional Coal Dump	Locations
5.	Benidih Satellite Stockyard	Block-II Area
6.	Akashkinari Satellite Stockyard	Govindpur Area
7.	Govindpur/Block-IV Satellite Stockyards	Govindpur Area
8.	Sendra Bansjora Satellite Stockyards	Sijua area
9.	Tetulmari CHP Satellite Stockyards	Sijua Area
10.	Nichitpur Satellite Stockyards	Sijua Area
11.	Bastacolla Satellite Stockyards	Bastacolla Area
12.	Dabari Satellite Stockyards	Bastacolla Area
13.	Kuya Satellite Stockyards	Bastacolla Area
14.	Bera Satellite Stockyards	Bastacolla Area
15.	Jeennagora Satellite Stockyards	Lodna Area

Coal India Limited have reported that the properties and staff of these dumps belong to collieries to which such dumps are attached. As such there is no separate booking of such expenditure incurred on these dumps.

(c) Central coal dumps function as a separate unit with its own independent staff, equipment and other facilities.

Notional Coal Dumps are on the other hand attached to the collieries, and separate establishment and other large facilities are not provided. The staff, equipment and other facilities of the collieries are utilised for Notional Dumps also.

The dump charges were fixed at Rs. 43/- per tonne for the period between 13.1.92 to 31.12.95 which was later enhanced to Rs. 80/- per tonne with effect from 1.1.96

(e) The quantity of coal sold through the Notional Dumps in BCCL and the amount collected as dump charges during the last three years were as under:-

	Quantity sold through Notional Dump (In tonnes)	Amount collected (Rs. in lakhs)
1994	9,44,649	453.43
1995	13,37,105	641.81
1996 (upto August)	8,54,677	683.74

[English]

Printing Press, Salboni

4590. SHRI BASUDEB ACHARIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Printing Press at Salboni in West Bengal has started;

(b) if so, the details thereof; and

(c) if not, by when it is likely to start functioning?

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

(b) Does not arise.

(c) The Press is likely to start functioning by the end of 1999.

Seizure of Foreign Exchange

4591. SHRI JAI PRAKASH AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the enforcement officials of Delhi have unearthed some big rackets of foreign exchange in the capital during the last three years till date;

(b) if so, the details of such rackets;

(c) whether foreign exchange and gold in large quantity were seized at International Airport of Delhi during the above period; and

(d) if so, the quantity of foreign exchange and gold seized therein?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). Details of cases involving seizure of substantial amounts of foreign exchange by the Enforcement Directorate, Delhi are given in the enclosed statement.

(c) and (d). Details of foreign exchange and gold seized at the International Airport, Delhi during the last three years are as under:-

Year	Quantity of Gold seized (in kg.)	Value of foreign exchange seized (Rs. in thousand)
1994-95	54.619	11.715
1995-96	106.438	21,005
1996-97 (upto 30.6.96)	30.00	5,535

STATEMENT

Sl. No.	Year	Name of the party	Details of seizure
1.	1994	Sh. Mohd. Akram & Smt. Naseem	Foreign Exchange worth Rs. 14.80 lakhs
2.	1994	Shri Lakhbir Singh	Foreign Exchange worth Rs. 1.25 crores & 1680 Tolas of Gold.
3.	1995	Shri R.K. Goel	Foreign Exchange worth Rs. 10 lakhs.
4.	1996	Shri Natwar Dalmia & others	Foreign Exchange worth Rs. 75 lakhs.
5.	1996	Shri Prakash Lunia & others.	Gold weighing 11 kgs. + US \$.100

Issue of Special import licences under negative list

4592. SHRI N.S.V. CHITTHAN: Will the Minister of COMMERCE be pleased to state:

(a) the total number of special import licences, issued under the negative list of items during each of the last three years;

(b) whether many cases are considerably delayed causing inconvenience to exporters;

(c) if so, the number of cases pending for clearance as on date; and

(d) the time by which these licences are likely to be issued?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) Total number of licences issued during the last three years are as under:-

Period	Import Licences	Customs Clearance Permit
1993-94	730	220
1994-95	901	242
1995-96	971	174

(b) to (d). Special Import Licences are given for imports of restricted items for domestic use, generally to actual users. Therefore, the question of causing inconvenience to exporters does not arise. However, every effort is made to ensure that

applications for such licences are disposed expeditiously. The Special Licensing Committee consisting of representatives of the concerned technical authorities, administrative ministries constituted for dealing with such cases meets regularly once a fortnight and all import applications received prior to the meeting are placed before the Committee. Every case is examined by the Committee on merits and decisions taken in the meeting itself. However, in specific cases where issues like security, environment, health hazards, domestic availability are involved and clearance from the concerned Ministries are required, are referred to them for obtaining their views and the cases are again placed before the Committee thereafter.

Installation of Weighbridges

4593. SHRI BANWARI LAL PUROHIT: Will the Minister of COAL be pleased to state:

(a) the number of weighbridges installed by Coal India Limited at loading points and the number of weighbridges yet to be installed at different locations;

(b) the programme of installation of remaining weighbridges;

(c) whether the instructions for installation of weighbridges were given about a decade ago and if so, the reasons for not installing the same so far;

(d) whether the Union Government had given directions in 1986 that till such time the electronic weighbridges are to be installed at loading points, the weighment done on the weighbridges at power stations shall be made applicable for coal payment purposes; and

(e) if so, the steps taken by the CIL for adherence of the above directions?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b). At present, there are 123 weighbridges in operation at different subsidiary coal companies of Coal India Ltd. (CIL). 28 more weighbridges are to be installed. 25 of these would be installed by 31.3.1997 and the balance 3 during 1997-98.

(c) Instructions to install weighbridges were issued in 1986. Pursuant to this, CIL have taken action and 123 electronic weighbridges have been installed in phases till now. A programme of installation of 28 more weighbridges has been taken up.

(d) and (e). In the meeting held on 22.12.1986, it was further decided that:

- (i) In principle, weighment at the loading points will be done on electronic weighbridges and print-out of weighment will be accepted by all concerned.

(ii) Where arrangements for weighment of coal on electronic weighbridges do not exist at the loading points and where arrangements for doing 100% weighment on mechanical or electronic weighbridges is available and such weighment of all the wagons is made at the power houses and shall be accepted as final.

(iii) In case where power houses do not have the facility for weighing 100% wagons and where arrangements for weighing 100% wagons on mechanical weighbridges is available at the loading point the weight recorded at the loading point shall be accepted as final.

(iv) Where weighing facility is not available either at the loading point or at the power house end, the existing system of accepting weighment on volumetric basis will continue to remain in force.

Purchase Policy of DGS&D after Decentralisation

4594. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of COMMERCE be pleased to state:

(a) whether any purchase policy has been framed by DGS&D after its decentralisation which may be binding on all Union Ministries/Departments while concluding any contract or arranging any supplies and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) No, Sir. The basic principles governing Government, purchases are laid down in the General Financial Rules (GFRs.) which still continue to be followed in the DGS&D.

(b) Does not arise.

Citizenship Code

4595. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to issue Citizenship code to all the citizens of India to safeguard the economy of the country from infiltration of foreign nationals and tax evasion etc; and

(b) if so, the details thereof?

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

(b) Does not arise.

[Translation]

Funds for Handicraft Sector

4596. SHRI N.J. RATHWA: Will the Minister of TEXTILES be pleased to state:

(a) the funds provided by the Union Government to Gujarat Handicrafts Development Corporation for development of handicrafts like woodcraft, bronze craft, handpainting, carpet weaving, clay sculpture, pottery and bamboocrafts in the tribal areas of Gujarat during the last three years; and

(b) the number of tribal people benefitted therefrom?

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

(a) The funds released to the Gujarat State Handicrafts Development corporation Ltd., during the last three years including in the tribal areas of Gujarat for the development of handicrafts including woodcraft, bronze craft, handpainting, carpet weaving, clay sculpture, pottery & bamboo crafts are as under:-

(Rs. in lakhs)

Year	Amount Released
1993-94	13.98
1994-95	6.61
1995-96	10.55

(b) More than 3000 tribal people have been benefitted directly from the funds released during the last three years.

[English]

Reduction in Cash Reserve Ratio

4597. SHRIMATI VASUNDHARA RAJE: Will the Minister of FINANCE be pleased to state:

(a) the quantum of additional funds proposed to be released on account of the announcement of reduction in cash reserve ratio and the manner in which these measures are likely to stimulate bank deposits; and

(b) whether the Government propose to further bring down the cash reserve ratio to 10% as was suggested by the Narasimhan Committee?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Reserve Bank of India (RBI) has reported that as part of the policy towards rationalisation of the Cash Reserve Ratio (CRR), with effect from fortnight

beginning July 6, 1996, the CRR of scheduled commercial banks's net demand and time liabilities was lowered from 13.0 per cent to 12.0 per cent. The reduction in CRR implies release of Rs. 4,100 crore of lendable resources of banks.

(c) RBI has further reported that in line with the recommendation of the Narasimham Committee, their medium term goal is to bring down the CRR to 10 per cent. However, CRR being an instrument of monetary control, it will need to be used flexibly, depending on the monetary situation.

Suggestions by IMF and World Bank

4598. SHRI SONTOSH MOHAN DEV: Will the Minister of FINANCE be pleased to state:

(a) whether the IMF and the World Bank have suggested to the Government to improve the economic conditions of States and bring down their fiscal deficit:

(b) if so, the details thereof:

(c) whether the deficit has gone up to 10 per cent;

(d) whether the panel of IMF and World Bank met the Finance Minister recently;

(e) if so, the main points discussed therein; and

(f) the steps proposed to be taken by the Government to improve the economic condition of the States?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). The IMF and the World Bank have been generally emphasising the need for financial prudence and the need to bring down the fiscal deficit.

(c) According to the World Bank Country Economic Memorandum (CEM) 1996, the consolidated deficit of the central government, state and public enterprises amounts to about 10 per cent of GDP.

(d) and (e). The IMF Mission which visited India from 31.7.96 to 13.8.96 in connection with Article IV Consultations paid a courtesy call on the Finance Minister on 13.8.96.

(f) Steps are being taken to bring down the fiscal imbalance to a sustainable level by stressing to the States and public enterprises the importance of improving their financial performance and reducing their dependence on budgetary support.

Basic Minimum Services Programme

4599. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Prime Minister has asked his Ministry to create funds for the implementation of the minimum services programme for the poor during the current year;

(b) if so, the details thereof and the amount earmarked for the purpose; and

(c) the manner in which the above funds are proposed to be utilised?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The Chief Ministers Conference convened by the Prime Minister recommended for adoption of 7 objectives to be attained by the year 2000. These are 100% coverage of provision of safe drinking water; 100% coverage of primary health centres; universalisation of primary education; public housing assistance to all shelterless poor families; extension of the mid-day meal scheme; road connectivity to all villages and habitations; and streamlining the public distribution system targeted to families below the poverty line

(b) and (c). In the 1996-97 Budget Estimates of the Union Government, an additional amount of Rs. 2466 crore has been provided as Central assistance for States and UTs Plans over the allocation made in the Interim Budget to significantly increase the availability of funds for the above said seven Basic Minimum Services. Out of this amount, a sum of Rs. 250 crores has been earmarked for shelter and other basic amenities to slum dwellers. These funds will be utilised by the State and UTs exclusively for providing the identified Basic Minimum Services.

Bonds of Financial Institutions

4600. SHRI MADHAVRAO SCINDIA: Will the Minister of FINANCE be pleased to state:

(a) whether large number of financial institutions like IDBI, ICICI, SCICI, FCI are coming up with the issue of bonds in view of the cash and credit crunch;

(b) if so, the details of the bonds issued by various institutions during each of the last three years till date, scheme-wise and institutions-wise; and

(c) the details of Government's regulations or control over these Bonds?

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

(b) As per information provided by the Industrial Development Bank of India (IDBI), the details of public issue of bonds by financial institutions namely IDBI, Industrial Finance Corporation of India Ltd. (IFCI), Industrial Credit & Investment Corporation of India Ltd. (ICICI) and SCICI Ltd.

and amount of funds collected during the years 1991-95, 1995-96 and 1996-97 (till date) are as under:

(Rs. Crore)

Institution	1994-95	1995-96	1996-97
IDBI	Nil	1079.00	Nil
IFCI	Nil	Nil	1250.00*
ICICI	691.35	623.67	Nil
SCICI Ltd	419.00	473.00	674.00**

* Provisional figures

** Approximate figures

(c) All public issues including debt issues are required to be made in conformity with the guidelines of Securities and Exchange Board of India (SEBI) for disclosure and investors protection. SEBI has, with effect from March 1996, dispensed with vetting of offer documents for pure debt instruments offered by listed companies subject to certain conditions.

Expenditure Incurred under Demurrage Head

4601. PROF. RITA VERMA: Will the Minister of COAL be pleased to state:

(a) the expenditure incurred by BCCL under the demurrage head during the last three years;

(b) the reasons for demurrages paid; and

(c) the heads under which the said demurrages has been paid?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) According to the information received from Coal India Limited, the expenditure incurred under the demurrage head by BCCL during the last three years was as under:-

1993-94	Rs. 732.81 lakh
1994-95	Rs. 679.56 lakh
1995-96	Rs. 850.23 lakh

(b) The demurrage is required to be paid when the coal companies are not able to complete the loading of a rake in the free time allowed by the railways. The reasons for such delay occurring occasionally inter-alia include the following:-

(i) Inadequate time allowed in some sidings off loading.

- (ii) Break down of equipment at loading point.
 - (iii) Power failures affecting crushing of coal through feeder breakers.
 - (iv) Less transportation of coal to the sidings due to break down of equipment and other reasons.
- (c) The expenses on this account have to be borne by BCCL.

Hiring of Heavy Earth Movers Machinery to ECL

4602. SHRI BASUDEB ACHARIA: Will the Minister of COAL be pleased to state:

- (a) whether hiring of Heavy Earth Movers machinery has been banned in Eastern Coalfield Ltd;
- (b) if so, the details thereof alongwith the reasons therefor; and
- (c) if so, impact of this decision on the production of Coal?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b). Yes, Sir. In pursuance of the directive of the Committee on Public Undertakings (COPU) contained in its 25th Report (1986-87) (8th Lok Sabha) on the examination of working of Eastern Coalfields Ltd., (ECL) the Govt. constituted an Expert Group in August, 1987 to look into the issues connected with hiring of HEMM by Eastern Coalfields Ltd. The Expert Group, inter-alia, recommended that the quantum of work to be done by hired HEMM should be pegged down to the level that bridges gap between the achievable capacity and the market demand and that hiring should be limited to exploitation of the marginal isolated patches only in an organised manner and phased out at the earliest. After due consideration of the recommendations of the Expert Group in January, 1988, the Govt., inter-alia, decided to dispense with the practice of hiring of HEMM in a phased manner in the next 3 years. Hiring of HEMM in ECL was discontinued from 1.4.1991. However, some contractors continued on the strength of Court order till the Court dismissed the same on 25.7.1991.

- (c) The impact on coal production owing to stoppage of hired HEMM has been approximately quantified as 2.5 million tonnes per year from 1991-92.

[Translation]

Foreign Proposal to Establish Industrial Units in Delhi

4603. SHRI JAI PRAKASH AGARWAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether some proposals have been received from the foreign countries to set up industrial units in the National Capital Territory of Delhi;

(b) if so, the details thereof, country-wise alongwith the amount proposed to be invested in these industrial units; and

(c) the decision taken by the Union Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c). Yes, Sir. 377 foreign direct investment proposals envisages Rs. 16382.07 crores have been approved by the Government during the Post Policy period i.e. from 1.8.91 to 31.07.96.

The details of such proposals viz. Name and country of foreign collaborator, equity investment involved, item of manufacture/activity are published by the Indian Investment Centre as a supplement to the Monthly Newsletter and copies of these are regularly supplied to the Parliament Library.

[English]

Coal Supply to State Electricity Boards

4604. SHRI BANWARI LAL PUROHIT: Will the Minister of COAL be pleased to state:

(a) whether various State Electricity Boards, including that of Maharashtra State have raised claims against stones supplied alongwith coal;

(b) whether Coal India Limited has reimbursed these claims to the State Electricity Boards;

(c) if not, the reasons therefor; and

(d) the preventive actions being taken by Coal India Limited and the Coal Ministry to stop supply of stones mixed coal and avoid such claims against stones supplied?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c). State Electricity Boards (SEBs), including Maharashtra State Electricity Board, are unilaterally making deductions on coal bills on account of supply of oversized coal, stones etc. Such unilateral deductions are not acceptable to the coal companies. In most cases, the SEBs have not made payments for the amounts in dispute and hence the question of reimbursement of the amount by coal companies does not arise. Negotiations are being held with the SEBs for settling the disputed amounts mutually. Government has appointed eminent persons as umpires for resolving the disputed amounts. The amounts in dispute are likely to be resolved once the awards have been declared by the umpires.

(d) The steps being taken by the coal companies to improve the quality of coal supplies to consumers include the following:-

- (i) An Action Plan for installation of feeder breakers and coal handling plants is being implemented to ensure quality of coal supplied.
- (ii) Stones are being segregated at the time of loading of coal to the extent practicable.
- (iii) Power utilities have been requested to post their representatives at loading points to undertake joint sampling of coal before it is despatched to them.

Participation in International Trade Fairs

4605. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned "Swiss fair ticks off Titan and other 'Made-in-India' exhibits" appearing in the 'Economic Times' dated August 6, 1996;

(b) if so, whether any protest was lodged with the International Fair Authorities against preventing Indian participation in Basle, Switzerland;

(c) if so, the reaction of IFA thereon;

(d) whether the Government propose to lay down some norms for participation in such international trade fairs and rebut the charge of practising a protectionist trade policy in view of India's free trade policy;

(e) if so, the details thereof; and

(f) if not, the reaction of the Government in this regard?

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

(b) and (c). M/s Titan International Marketing Ltd. has made a representation to the Committee of Exhibitors that lays down the criteria for participation in the International Watch, Clock and Jewellery Fair in Basle, Switzerland. However, the Committee of Exhibitors continues to maintain that one of the conditions laid down for participation by a country is that the country should have a liberal trade policy with regard to imports of watches of all origin and import tariff should not be higher than 20 per cent. Thus the matter remains unresolved.

(d) to (f). It is not possible for the Government of India to lay down norms for participation in international fairs organised by foreign private parties outside India. Government has taken up the matter with the Swiss authorities whose initial reaction

has been that they have no control over the actions of the Committee of Exhibitors, a private party, that sets the norms for participation. Government is pursuing the matter with the Swiss authorities.

[Translation]

Excise Duty on Marble

4606. PROF. RASA SINGH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received representations from several marble trading organisations and people's representatives to decrease or abolish excise duty on marble and lime stone; and

(b) if so, the details thereof and the steps being taken by the Government in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). There is no excise duty on limestone. Regarding marble, Government have received some representations that the excise duty on marble be abolished or reduced from the existing level of Rs. 30 per square metre. These are under consideration.

Foreign Investment in Agriculture

4607. SHRI DEVI BUX SINGH:
DR. RAMESH CHAND TOMAR:

Will the Minister of INDUSTRY be pleased to state:

(a) the number of foreign proposals cleared for the investment in agriculture sector during the current year alongwith the details thereof, country-wise;

(b) the names of such companies who have sent the proposals and the names of the States where investment is proposed to be made; and

(c) the details of foreign exchange likely to be received in the country every year?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). 25 foreign direct investment proposals envisaging foreign direct investment of Rs. 45.03 crores have been approved by the Government during the period from 1.1.96 to 31.7.96 in the Agriculture Sector including Horticulture and Floriculture.

The details of such proposals viz. Name and country of foreign collaborator, equity investment involved, item of manufacture/activity are published by the Indian Investment Centre as a supplement to the Monthly Newsletter and copies of these are regularly supplied to the Parliament Library.

(c) Actual inflow of foreign direct investment is monitored by Reserve Bank of India

Joint Venture Between India and Israel

4608. SHRI DEVI BUX SINGH:
DR. RAMESH CHAND TOMAR:

Will the Minister of INDUSTRY be pleased to state:

(a) whether agreements have been proposed to be signed between India and Israel in the industrial sector;

(b) if so, the details thereof;

(c) whether Indian industries are also functioning in Israel; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Yes, Sir. Agreements have been proposed to be signed between India and Israel for Cooperation in the field of Industrial and Technological Research and Development and in the Small Industries Sector between National Small Industries Corporation (NSIC), India and the Small Business Authority of Israel.

Bilateral agreements between the two countries which have already been signed include the agreement on trade and economic cooperation, agreement between the standards institutes of both countries, agreement on avoidance of double taxation and agreement on investment protection.

(c) and (d). Yes, Sir. Government has granted approval to M/s Indo-Israel Fertilizers & Chemicals Limited, Calcutta for setting up a phosphoric acid manufacturing unit in Israel with an equity investment of US \$ 21.84 million. As per information available, the project is under implementation.

[English]

Crisis on Papers

4609. SHRI P.C. CHACKO: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are aware that the domestic paper industry is facing stiff competition due to import of paper at large scale in the country;

(b) whether the paper industry has piled up a buffer stock with them and is on the verge of closure or cut their production drastically;

(c) if so, the details of such companies, State-wise;

(d) the reasons for importing paper at large scale; and

(e) the steps taken by the Government to save the interest of the domestic paper industry?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (e). Domestic paper industry is not facing any stiff competition due to large scale import of paper since the country's demand is mostly met by domestic production. There is also no stock-piling with mills nor of curtailment of production or mills being on the verge of closure, due to the large scale import of paper. The country is broadly self sufficient in meeting its requirement of paper.

However, the Newsprint industry is facing some difficulties. On account of availability of cheaper Imports, the customers are not procuring newsprint from domestic industry, leading to accumulation of stock.

Government is seized of the matter.

Performance of PSUs

4610. SHRI BHAKTA CHARAN DAS: Will the Minister of INDUSTRY be pleased to state:

(a) whether Public Sector Undertakings have shown higher profit during 1994-95;

(b) if so, the names of such Undertakings and the amount of profit earned by each Public Sector Undertakings during the above period;

(c) the names of Undertakings which have showed losses during the above period; and

(d) the details of losses incurred and reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Yes, Sir. 130 Public Sector Undertakings have shown higher profits of Rs. 12124 crores during 1994-95 as compared to profit earned by 121 PSUs of Rs. 9768 crores during 1993-94. The names of PSUs which have shown profits during 1994-95 are given in the Statement 7-A of Volume-I of the Public Enterprises Survey 1994-95 laid in both Houses of Parliament on 19.7.96.

(c) and (d). 109 PSUs have incurred loss during 1994-95 as compared to loss by 116 PSUs during 1993-94. The names of the Public Sector Undertakings which have shown losses during the above period are given in the Statement 7-B of Volume-I of the Public Enterprises Survey 1994-95. The reasons for the losses are usually enterprise specific. However, some of the common causes of losses are excess manpower, old & obsolete plant & machinery, outdated technology, erratic power supply, mechanical break-downs, high interest burden, high initial investment, stiff competition with the private sector, low capacity utilization etc.

*[Translation]***Financial Assistance by NSSIC**

4611. SHRI RAJESH RANJAN ALIAS PAPPU YADAV:
Will the Minister of INDUSTRY be pleased to state:

(a) whether the National Small Scale Industries Corporation provided financial assistance to some new units during 1994-95 in Bihar;

(b) if so, the details thereof;

(c) whether the Government propose to enlarge the scope of National Small Scale Industries Corporation;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

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

(b) During the year 1994-95, the National Small Industries Corporation (NSIC) Ltd. has provided financial assistance to 25 new units for a total amount of Rs. 137.20 lakhs.

(c) to (e). Enlarging the scope of NSIC is within the purview of Board of Management. Recently, NSIC has drawn up a 10 year Corporate Plan outlining its activities, beginning from 1997.

Capital Investment

4612. PROF. PREM SINGH CHANDUMAJRA: Will the Minister of INDUSTRY be pleased to state:

(a) the total capital invested in Central Public Sector Undertakings as on date;

(b) the total number of employees working in these undertakings; and

(c) the percentage of profit earned during 1993-94, 1994-95 and 1995-96 and the additional capital invested during the above years in the Public Sector Undertakings?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) As on 31.3.95, upto which period audited information is available, the capital invested in Central Public Sector Undertakings was Rs. 172438 crores.

(b) The total number of regular employees working in these PSUs was 20.41 lakhs.

(c) The percentage of profit earned during 1993-94 and 1994-95, to capital employed is given in Statement No. 10 of

Volume-I of Public Enterprises Survey 1993-94 and 1994-95 laid in Parliament on 22.3.95 and 19.7.96 respectively. The additional capital invested during 1993-94 and 1994-95 was Rs. 17373 crores and Rs. 7478 crores respectively.

New Direct Tax Law

4613. SHRI SATYA DEO SINGH:
SHRI CHHATAR SINGH DARBAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to constitute a group of experts to suggest the recommendations to simplify the direct tax law;

(b) if so, the details thereof; and

(c) the time by which the expert group will start functioning?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). Yes, Sir. The Government has set up an expert group with a view to rationalising and simplifying the Income-tax Act, 1961 to rewrite a new Direct Tax law.

(c) The expert group has started functioning and has been asked to submit its draft report by 31st December, 1996.

*[English]***Import Duty on Coal**

4614. DR. M.P. JAISWAL: Will the Minister of COAL be pleased to state:

(a) whether the Expert Committee has recommended for lowering of import duty on coal from 30 per cent to 5 per cent;

(b) if so, whether the Government has accepted the recommendations of the Expert Committee;

(c) if so, the details thereof; and

(d) the extent up to which it is likely improve growth of coastal cement plants?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The Ministry of Industry (Deptt. of Industrial Policy & Promotion) have intimated that the Development Council for cement industry and the Task Force on Cement Industry for the Ninth Five year plan constituted by the Planning Commission have recommended lowering of import duty on coal from 35 per cent to 5 per cent.

(b) to (d). In the Budget for 1996-97, presented before the Parliament, no specific proposal has been made for concessional import duty on coal being imported by cement plants. However, the import duties on import of non-coking coal for all consumers, including those of the cement sector, has been reduced from 35% to 20%. This shall reduce the cost of imported coal for the consumers, including the cement plants located at coastal locations.

[Translation]

Capital Invested in Small Scale Units

4615. SHRI RAJESH RANJAN ALIAS PAPPU YADAV: Will the Minister of INDUSTRY be pleased to state:

(a) whether the contribution of the small scale units in the industrial development of the country is increasing for the last many years;

(b) if so, the percentage thereof during the last three years, year-wise;

(c) whether the capital invested in small scale sector is less as compared to the total investment made in the industrial sector in the country; and

(d) if not, the percentage of the capital invested in small scale sector during each of the year 1993-94, 1994-95 and 1995-96 separately?

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

(b) The contribution of the small scale sector in industrial production for the years 1992-93, 1993-94 and 1994-95 was 40.70%, 40.71% and 41.27% respectively.

(c) Yes, Sir.

(d) Does not arise.

[English]

Trade with U.S.

4616. DR. LAXMINARAYAN PANDEY: Will the Minister of COMMERCE be pleased to state:

(a) the current status of Indo-U.S. trade and details of total exports and imports during each of the last three years;

(b) whether the Government have identified any barriers that impede the expansion of Indo-U.S. trade;

(c) if so, the details thereof and the steps taken to remove these barriers;

(d) the details of projections for Indo-U.S. trade during the next three years; and

(e) the steps taken or proposed to be taken to achieve these targets?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) The Indo-U.S. trade during the last 3 years was as follows:-

(Value in Rs. Crores)

Year	Exports	Imports	Bilateral Trade	Balance of Trade
1993-94	12543.88	8599.85	21143.73	(+) 3944.03
1994-95	15764.32	9123.61	24887.93	(+) 6640.71
1995-96	18457.54	12805.25	31262.79	(+) 5652.29

(Source: DGCI & S. Calcutta)

(b) Yes, Sir.

(c) The barriers include textile quotas, anti-dumping and countervailing duties, standards relating to health and environment etc. These are taken up bilaterally with the USA to ensure that market access is not unreasonably hindered. In case of any inconsistency or discrimination, India has a right to approach the WTO dispute settlement mechanism for redressal.

(d) India's trade with the USA is likely to grow in line with India's overall trade growth.

(e) In order to expand the Indo-US trade, there have been increased bilateral interactions both in Government and Private Sector. These include the visit by the Indian Prime Minister to the USA in May, 1994; US Commerce Secretary's visit to India in January, 1995; Indian Commerce Minister's visit to the USA in June 1995; the meeting of Indo-US Economic and Commercial Sub-Commission in April, 1995 in Delhi; the meeting of the Indo-US Business Council in October, 1994 in Washington and December, 1995 in Delhi; launching of Indo-US Commercial Alliance in January, 1995. Similar bilateral interactions are likely to continue in future also.

Withdrawal from Provident Funds

4617. SHRI RAMESH CHENNITHALA: Will the Minister of INDUSTRY be pleased to state:

(a) whether there is any proposal to allow industrial units to draw funds from unutilized provident funds;

(b) the total quantum of such funds available at present;

(c) the criteria to be followed for providing the fund to the industrial units; and

(d) the purpose for which such withdrawals is proposed to be allowed?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Provident Funds money belongs to the workers. The contributions in the fund collected but not required immediately for payment are invested according to the pattern of investment approved by Ministry of Finance. The Provident Funds money along with the interests standing in the individual account is paid to the workers as and when his claim is received. As such the Provident Funds money does not remain unutilised and is also not meant for disbursement among the industrial units.

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

Rehabilitation of Handicapped Persons in P.S.U.s

4618. SHRI PRAMOTHES MUKHERJEE: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have received representations and several courts have passed orders regarding rehabilitation of handicapped persons in the Public Sector Undertakings;

(b) if so, the details thereof;

(c) whether even after the decision of courts, a number of handicapped persons are still awaiting their rehabilitation in the PSUs; and

(d) if so, the steps proposed to be taken by the Government to ensure expeditious rehabilitation of the handicapped persons in the PSUs and settlement of their claims instead of proceeding further litigations?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d). The information is being collected and will be laid on the Table of the House.

Industrial Projects of Orissa

4619. SHRI SOUMYA RANJAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether industrial projects pertaining to Orissa are pending with the Union Government for clearance;

(b) if so, the details thereof, project-wise alongwith the estimated cost of those projects;

(c) the reasons for delay in taking decision on those projects; and

(d) the time by which the decision is likely to be taken on these projects?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Yes, Sir. As on 31.7.96 a total number of 15 Industrial Licence applications for the manufacture of sugar, asbestos, cement, explosives, etc. from the State of Orissa are pending for clearance. The proposed investment of these projects are Rs. 73176 lakhs.

(c) and (d). All steps are taken for speedy disposal of applications. Actual disposal of applications depends on the sectoral policy adopted by the Administrative Ministry, their recommendations in specific cases and also furnishing of relevant information by the applicants.

Norms for Disbursal of loans by Banks

4620. SHRI PARASRAM BHARDWAJ: Will the Minister of FINANCE be pleased to state:

(a) whether with the Reserve Bank of India's tightening norms for the disbursement of loan by scheduled commercial banks, the demand for Inter-Corporate Deposits has soared pushing up their interest rate;

(b) whether corporates are facing acute financial crisis as banks are insisting on various requirements to be fulfilled before sanction of loans;

(c) whether the corporates are not willing to take long term exposure at this rate as the cost of funds has increased to over 20 per cent; and

(d) if so, the reaction of the Reserve Bank of India in these circumstances?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d). It has been reported by Reserve Bank of India (RBI) that they have not tightened norms for disbursement of loans by the commercial banks. They have further reported that the earlier guidelines issued by them to ensure end use of bank credit have only been reiterated. These measures, when implemented, would prevent diversion and/or misuse of bank credit. The interest rate structure prescribed to scheduled commercial banks has recently been deregulated considerably. Banks are now free to determine the term deposit rates for maturities over one year they offer to the public. Similarly for credit limits over Rs. 2 lakh banks are free to determine their own lending rates. While fixing their deposit and lending rates banks take into account the cost and likely return on deployment of funds. Banks have to manage competing demands for credit from all sectors of economy and hence the rates charged would cover cost of resources with a reasonable spread for them.

Share Holders

4621. SHRI KASHIRAM RANA: Will the Minister of FINANCE be pleased to state:

(a) whether provisions have been made by the Government to safeguard the interests of small share holders;

(b) if so, the details thereof;

(c) whether the Government have received any complaint against the violation of these provisions;

(d) if so, the details thereof during the last three years; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b)). Such provisions are contained under Sections 113, 111, 81, 84 (3) and 205 of the Companies Act, 1956.

(c) to (e). Government have received 28,803 complaints under these Sections during the last three years and 21,997 complaints have been redressed.

Sick Industries

4622. KUMARI MAMATA BANERJEE: Will the Minister of INDUSTRY be pleased to state:

(a) the total number of sick industries in West Bengal in the private and public sectors received financial assistance from the Union Government from time to time to carry on operation during the last three years;

(b) whether those funds were properly utilised;

(c) if so, the details thereof; and

(d) if not, the action the Union Government propose to take against the management of such units?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) During the last three years, Govt. had released financial assistance to 15 sick Central Govt. enterprises in West Bengal to the extent of Rs. 101.09 crores, Rs. 112.66 crores and Rs. 174.73 crores in 1993-94, 1994-95 and 1995-96 respectively

(b) to (d). The funds are released by the Government for specific purposes. The utilisation of these funds are monitored by the managements of the respective public enterprises and their administrative ministries.

B.I.F.R.

4623. SHRI MADHUKAR SARPOTDAR: Will the Minister of INDUSTRY be pleased to state:

(a) the details of cases which are pending before B.I.F.R. State-wise; and

(b) the steps the Government propose to take to clear these cases?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) According to the Board for Industrial and Financial Reconstruction (BIFR), there were 372 cases pending before the BIFR as on 31.7.1996. The State-wise details are given in the statement attached.

(b) The sick industrial companies registered with the BIFR are dealt in accordance with the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 and wherever feasible, rehabilitation/revival schemes are sanctioned by the Board expeditiously after taking into consideration consent of all concerned parties including Financial Institutions/Banks etc.

STATEMENT

State-wise details of cases pending before the Board for Industrial and Financial Reconstruction

Sl. No	Name of the State/U T	Number of pending cases
1	2	3
1.	Andhra Pradesh	35
2.	Assam	3
3.	Bihar	10
4.	Dadra & Nagar Haveli	2
5.	Goa, Daman & Diu	1
6.	Gujarat	36
7.	Haryana	15
8.	Himachal Pradesh	8
9.	Jammu & Kashmir	2
10.	Kerala	8
11.	Karnataka	21

1	2	3
12.	Madhya Pradesh	30
13.	Maharashtra	49
14.	Delhi	3
15.	Orissa	2
16.	Pondicherry	1
17.	Punjab	18
18.	Rajasthan	15
19.	Tamil Nadu	22
20.	Uttar Pradesh	44
21.	West Bengal	47
Total		372

[Translation]

Capital Investment

4624. PROF. RASA SINGH RAWAT: Will the Minister of INDUSTRY be pleased to state:

(a) the amount of capital investment (national and foreign) made in the big/medium/small scale industries in each State during the last three years after the implementation of liberalization/globalization policy; and

(b) the reasons for slow pace of industrial growth in Rajasthan as compared to other States in the country?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Separate State-wise figures of capital investment made (national and foreign) are not centrally maintained. However, the following table shows the investment proposed for All India including Rajasthan since the announcement of New Industrial Policy (August, 1991 to July, 1996).

State	Industrial Intentions			Proposed Investment (Rs. in Crores)		
	LOIs	IEEs	Total	LOIs	IEEs	Total
All India	2554	26579	29133	82881	520455	603336
Rajasthan	75	1440	1515	1448	24233	25681

The share of Rajasthan in the afore-said proposed investment is 4.26%.

It is primarily the responsibility of the State Government to create congenial atmosphere and providing infrastructural facilities for the development of the State. The Government of India supplements the infrastructural facilities through the Growth Centre Scheme. Growth Centres are identified in consultation with the State Government.

Note: LOIs = Letters of Intent granted for licensable items.

IEEs = Industrial Entrepreneur Memoranda filed for delicensed items.

[English]

Financial Limit of Small Scale Industries

4625. SHRI P.R. DASMUNSI: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to increase the financial limit of small scale industries;

(b) if so, the details thereof; and

(c) the steps being taken by the Government to ensure steady growth and protection of small scale sector particularly in consumer items?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b)). The proposal for increasing the investment limit for small scale industries is under consideration of the Government. While revising the limit, factors such as inflation, exchange variation and technology needs are kept in view.

(c) Government have provided several measures to protect and promote the small scale industries sector. The major measures are:

- 836 products are reserved for exclusive manufacture in the small scale sector.
- Institutional credit to small scale industries is part of priority sector lending by banks.
- Purchase and price preference is given to small scale industries in Government purchase programmes.
- Loans upto Rs. 2 lakhs are given at fixed/concessional rates of interest.
- Small Scale Industries are provided various support services in areas of technology, marketing etc.

Pending Foreign Investment Proposals

4626. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of INDUSTRY be pleased to state:

(a) the total numbers and details of proposals received from foreign investors and pending before the FIPB;

(b) the action taken by FIPB thereon; and

(c) the deadline fixed for clearing the above proposals?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). During the year 1996, 876 applications for foreign investments were received upto August, 1996. Out of these 636 have been considered by FIPB.

About 240 applications are yet to come up for consideration before FIPB.

(c) The proposals are generally cleared within a period of 6 weeks.

Investment Proposals of Coca Cola

4627. SHRI GEORGE FERNANDES: Will the Minister of INDUSTRY be pleased to state:

(a) whether any proposal of coca cola for US \$ 700 million investment is pending with the Union Government for clearance; and

(b) if so, the details thereof alongwith the field in which the amount is to be invested?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). No, Sir. Approval has been granted to M/s. Coca Cola South Asia Holding Inc., USA for setting up of 2 wholly owned subsidiaries in India to expand and consolidate the production and distribution infrastructure of Non-Alcoholic Beverage business in Eastern India and Western India envisaging investment of US \$ 700 million and to set up another wholly owned subsidiary with foreign equity of US \$ 40 million in Gujarat for setting up bottling plants, which will engage in preparation, packaging, sale and distribution of beverages.

Price of Rubber

4628. SHRI P.C. CHACKO: Will the Minister of COMMERCE be pleased to state:

(a) whether the production of rubber has gone up substantially to meet the domestic demand of the industry;

(b) if so, the reasons for importing the natural rubber during the current year; and

(c) the steps taken to maintain the price of rubber and to protect the interest of the rubber growers?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) The production of natural rubber has gone up substantially. However, it has not been able to keep pace with the growing demand.

(b) During 1996-97, Government have not allowed import of natural rubber so far.

(c) The price of rubber is maintained at remunerative level by allowing import to the minimum extent to bridge the gap between domestic demand and supply.

[Translation]

Gratuity Limitation

4629. SHRI SUSHIL CHANDRA: Will the Minister of INDUSTRY be pleased to refer to the reply given to Unstarred Question No. 226 dated 28 February, 1996 regarding Gratuity ceiling in PSUs and state:

(a) whether the Government have examined the issue of enhancement of gratuity ceiling for employees of Public Sector Undertakings;

(b) if so, the details thereof; and

(c) if not, the reasons for the delay and the time by which the decision is likely to be taken?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c). The issue of enhancement of gratuity ceiling for employees of Public Sector Undertaking is under examination of the Government in consultation with different agencies in the Govt. and the final decision will take some more time.

[English]

Foreign Direct Investment

4630. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Union Government are working out a major policy paper on foreign direct investment to ensure minimum US \$ 50 billion foreign funds inflow into the country by 2000 A.D.;

(b) whether any proposals in this regard have been worked out; and

(c) if so, the details thereof and by when the final decision is likely to be taken?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c). According to the Common Minimum Programme, the nation needs and has the capacity to absorb atleast US \$ 10 billion a year as foreign direct investment. The Government policy on foreign investment is being constantly reviewed to make it more dynamic with the objective of increasing foreign direct investment into the country, particularly, in priority/core sectors including infrastructure.

Revenue Deficit

4631. DR. LAXMINARAYAN PANDEY:
SHRI RAM NAIK:

Will the Minister of FINANCE be pleased to state:

(a) the projected and the actual revenue deficit recorded during 1993-94, 1994-95 and 1995-96 separately;

(b) the reasons for continuous increase in the above deficit and its impact on the Indian economy; and

(c) the efforts made and proposed to be made to check the increasing revenue deficit?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The details of revenue deficit are as under:

(Rs. crore)

	Budget Estimates	Revised Estimates	Actuals
1993-94	17630	34058	32716
1994-95	32727	34132	31029
1995-96	35541	33331	Accounts are being finalised.

(b) The recurring revenue deficits can be attributed to growth in areas of expenditure like interest payments, subsidies, grants to State Governments, internal security, plan expenditure on revenue account, etc. Financing of the revenue deficit entails higher borrowings by Government leading to growth in fiscal deficit and higher interest rates.

(c) Government would endeavour to restrict the revenue deficit by maximising revenues and controlling expenditure.

[Translation]

Unutilized Foreign Aid

4632. PROF. RASA SINGH RAWAT : Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has expressed concern over non-utilisation of aid provided by foreign financial institutions for various development projects in the country;

(b) the details of the projects which could not be implemented so far for which foreign aid was provided through the Union Government, State-wise;

(c) the foreign aid provided by the Union Government for implementation of aforesaid projects;

(d) whether the Government have approached the World Bank and IMF for setting up of some new development projects in the country particularly in Rajasthan, Haryana and Himachal Pradesh; and

(e) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). World Bank has not expressed concern over non-utilisation of aid provided by foreign financial institutions for various development projects in the country. In the India : Country Economic Memorandum, 1996 published by the World Bank, the World Bank has mentioned "Over the last few years, the Government has taken several specific measures to improve the utilization of ODA. While these measures have accelerated aids disbursements, there remains scope for further improvements." The foreign aid from these agencies is on reimbursement basis, therefore, the State Governments and project authorities have to incur the expenditure first and thereafter claim reimbursement through the Union Government. In this arrangement, the Union Government provided the amount of foreign aid to States as Additional Central Assistance after project implementation is taken up.

(d) and (e). IMF assistance is not tied to development projects. In the case of World Bank, the new projects posed to the World Bank for assistance and which are at varying stages of project appraisal, are as under:-

Rajasthan: Water Resource Consolidation Project, Jaipur Water Supply & Sanitation Project, Water Supply Project for five towns. State Highways upgradation, District Poverty Initiative Project, IIIrd State Health Systems Development Project, Integrated Child Development Scheme-III and SEB Restructuring project.

Haryana: Agriculture Development Project, State Highways upgradation and SEB Restructuring project.

Himachal Pradesh: IIIrd State Health Systems Development Project and State Highways project.

*[English]***Small Scale Industries**

4633. DR. M.P. JAISWAL : Will the Minister of INDUSTRY be pleased to state:

(a) the criteria laid down for classifying the small scale, medium and large scale industry;

(b) the details of incentives and benefits given to each industry; industry-wise;

(c) whether Government propose to treat Small Scale Industries at par with Large Scale Industries; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The Small Scale Industries is defined under the Industries Development and Regulation Act, 1951 in terms of an upper limit on investment in plant & machinery calculated at original value. The present limit for small scale industries is Rs. 60 lakhs. Further, small scale industries cannot be owned, controlled or be a subsidiary of another industrial undertaking. No specific criteria are laid down to classify or define the medium and large scale industry.

(b) The major incentives and benefits provided to small scale industries are as follows:

- (i) Excise duty concessions to small scale units with turnover up to Rs. 3 crores.
- (ii) 836 items are reserved for exclusive production in small industries sector.
- (iii) Institutional credit to small scale industries is part of the priority sector lending by banks.
- (iv) Purchase and price preference is given to small scale industries under Government purchase programmes.
- (v) Concessional/fixed interest on loans up to Rs. 2 lakhs.

There is no specific package of incentives and benefits aimed at the medium and large scale industry. Industrial promotion in general is guided by the industrial policies of the Government. Sector specific and need based support is provided to industrial development in general. For example, there is a tax holiday scheme for infrastructure industries and for industries set up in backward States.

(c) No, Sir.

(d) Does not arise.

Autonomy to RBI

4634. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to grant autonomy to Reserve Bank of India; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India is the central monetary authority and regulatory body to oversee the banking system. In view of the need for ensuring harmony between the fiscal and the monetary policies, the Government and the Reserve Bank of India work in close consultation with each other. Their relationship is governed by a spirit of mutual understanding and support in the interest of economic growth with stability. The powers of supervision and inspection of different sectors of the financial system are exercised by the Reserve Bank of India under the provisions of the Banking Regulation Act, 1949, and the Reserve Bank of India Act, 1934.

Small Scale Units

4635. SHRI N.S.V. CHITTHAN : Will the Minister of INDUSTRY be pleased to state:

(a) the total number of Small Scale units registered as on date all over the country, State-wise alongwith the total turnover of these units;

(b) the number of exporting units out of them and their total earnings in foreign exchange;

(c) whether the Government propose to increase the paid up capital for Small Scale Industries; and

(d) if so, the details thereof and the additional facilities likely to be given to SSIs in the near future?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The state-wise number of small scale units, registered with the State Directorates of Industries, as on 31st December, 1995 is given in the Statement-I attached.

The information on turnover (i.e. production of SSI units is estimated at all India level only and during 1995-96 total production was estimated to be Rs. 3,37,207 crores at current prices.

(b) The latest information on number of exporting units is available for 1987-88 through the second All India Census of registered Small Scale units. The State-wise number of exporting units found during the second census are given in Statement-II. There were 0.78% exporting units during Second All India Census of SSI Units, assuming same

proportion of units the number of registered exporting units as on 31st December, 1995 is estimated to be 16260 at All India level.

The information on exports is available in rupee terms. During 1994-95 total direct exports from the Small Scale units was Rs. 29,068 crores.

(c) The criteria for classifying small scale units is by investment in plant and machinery and not by paid up capital. Therefore, question of increasing paid up capital does not arise.

(d) Some of the additional facilities to be provided to SSI Sector are new centres under Integrated Infrastructure Development Scheme, Technology Trust Fund, Assistance for ISO 9000 certificates, assistance for entrepreneurship development, new tool rooms for providing technical facilities, credit facilities for modernisation etc.

STATEMENT-I

State-wise Number of registered small scale units as on 31st December, 1995

S. No.	State/UT	Number of Units
1.	Andhra Pradesh	1,53,454
2.	Arunachal Pradesh	1,200 (E)
3.	Assam	18,637
4.	Bihar	99,645 (P)
5.	Delhi	28,787 (P)
6.	Goa	5,081 (P)
7.	Gujarat	1,24,857 (P)
8.	Haryana	93,179 (P)
9.	Himachal Pradesh	13,819
10.	Jammu & Kashmir	25,879
11.	Karnataka	1,13,049
12.	Kerala	1,33,605 (E)
13.	Madhya Pradesh	2,53,754
14.	Maharashtra	81,297
15.	Manipur	5,034

S. No.	State/UT	Number of Units
16.	Meghalaya	1,977
17.	Mizoram	2,880
18.	Nagaland	731
19.	Orissa	18,142 (E)
20.	Punjab	1,36,881
21.	Rajasthan	70,577 (P)
22.	Sikkim	281 (E)
23.	Tamil Nadu	2,07,317
24.	Tripura	7,311 (E)
25.	Uttar Pradesh	3,18,281
26.	West Bengal	1,59,693 (P)
27.	Andaman & Nicobar Islands	957
28.	Chandigarh	2,847 (P)
29.	Dadra & Nagar Haveli	412
30.	Daman & Diu	610 (P)
31.	Lakshadweep	304 (P)
32.	Pondicherry	4,161 (P)
Total :		20,84,639

P - Provisional E - Estimated

STATEMENT-II

State-wise number of Exporting Units in the Registered Small Scale Sector during 1987-88

S. No.	State/UT	Number of exporting Units
1.	Andhra Pradesh	140
2.	Arunachal Pradesh	1
3.	Assam	17
4.	Bihar	131

S. No.	State/UT	Number of exporting Units
5.	Delhi	403
6.	Goa	23
7.	Gujarat	386
8.	Haryana	126
9.	Himachal Pradesh	11
10.	Jammu & Kashmir	85
11.	Karnataka	304
12.	Kerala	195
13.	Madhya Pradesh	13
14.	Maharashtra	726
15.	Manipur	9
16.	Meghalaya	0
17.	Mizoram	1
18.	Nagaland	2
19.	Orissa	42
20.	Punjab	176
21.	Rajasthan	67
22.	Sikkim	0
23.	Tamil Nadu	889
24.	Tripura	17
25.	Uttar Pradesh	503
26.	West Bengal	263
27.	Andaman & Nicobar Islands	1
28.	Chandigarh	7
29.	Dadra & Nagar Haveli	6
30.	Daman & Diu	0
31.	Lakshadweep	-
32.	Pondicherry	11
Total :		4555

Source : Second All India Census of Small Scale Industrial Units Registered upto 31st March, 1988)

Supply of Coal to C.C.I.

4636. SHRI SANTOSH KUMAR GANGWAR : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Cement Corporation of India is getting coal according to its requirement within the country; and

(b) if so, the reasons for import of coal by them?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) CCI is not getting coal according to its full requirements.

(b) CCI has never imported coal.

Small Scale Industries

4637. SHRIMATI VASUNDHARA RAJE : Will the Minister of INDUSTRY be pleased to state:

(a) whether a committee was set up to look into the problems of the small scale industries;

(b) if so, the details thereof alongwith its terms of reference,

(c) whether the Committee have since submitted its report;

(d) if so, the recommendations made and the actions taken by the Government thereon; and

(e) if not, the reasons for delay in submitting the report and by when it is likely to submit the report?

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

(b) The Government have constituted an Expert Committee on Small Enterprises headed by Sh. Abid Hussain, former Member, Planning Commission on 29th December, 1995. The Committee would examine the promotional and protective policies relating to the small scale sector and other related aspects. The terms of reference of the Committee are given below:-

(i) To examine the impact and efficacy of the promotional and protective policies and direct assistance programme for SSI in the light of recent economic reforms and suggest appropriate changes.

(ii) To review the definition, legal framework and the heterogeneous composition of the small scale sector and recommend appropriate changes for realisation of the objectives.

(iii) To examine the efficacy & desirability of the reservation policy for the small industries and make suitable recommendation.

(iv) To examine the present arrangements and sources for the collection, compilation, dissemination and analysis of the data on small enterprises.

(v) To examine the possibility and necessity of replacing the present institutional arrangements for the transfer and dissemination of technological information and make appropriate recommendation.

(vi) To examine the effectiveness of the existing institutional arrangement and the policies for meeting the long term and short term financial requirements of the small enterprises and make suitable recommendation.

(vii) To review the impact of various fiscal policies and tax concessions on small enterprises.

(viii) To examine the impact of various regulatory laws and procedures such as the labour laws, the Factories Act, the Industrial Disputes Act and Environment Protective Act on the small firms.

(ix) To consider and make recommendations on such other matters as the Committee considers relevant.

(c) No, Sir.

(d) In view of (c) above, does not arise.

(e) The term of the Committee has been extended upto 31st October, 1996 by which time it is expected to submit its report.

12.00 hrs.

[English]

PAPERS LAID ON THE TABLE

Annual Report and Review by the Government of the working of the Bharat Yantra Nigam Limited for 1994-95 etc.

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : Sir, I beg to lay on the Table :-

- (1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956:-

(i) Statement regarding Review by the Government of the working of the Bharat Yantra Nigam Limited for the year 1994-95.

(ii) Annual Report of the Bharat Yantra Nigam Limited, for the year 1994-95, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (i) above.

[Placed in Library, See No. LT. 441/96]

Notifications under Section 296 of the Income Tax Act, 1961 and Notifications under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944 and Annual Reports and Accounts of the Regional Rural Bank for 1996

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, I beg to lay on the Table -

- (1) A copy each of the following Notifications (Hindi and English versions) under section 296 of the Income-tax Act, 1961:-

(i) S.O. 2017 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The India Trade Promotion Organisation, New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the Assessment years 1995-96 to 1997-98 subject to certain conditions.

(ii) S.O. 2018 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Yug Nirman Yojana Trust, Mathura U.P." under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.

(iii) S.O. 2019 published in Gazette of India dated the 13th July, 1996 making certain amendments in the Notification No. 9772 dated the 25th May, 1995 under section 10(23C) of the Income-tax Act, 1961.

(iv) S.O. 2020 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Jnana Prabodhini Samshodhan Sanstha, Pune" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 and 1996-97 subject to certain conditions.

- (v) S.O. 2021 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Association for the Welfare of Persons with a Mental Handicap in Maharashtra, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1994-95 to 1996-97 subject to certain conditions.
- (vi) S.O. 2022 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Kerala Fishermen's Welfare Fund Board, Trichur" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1990-91 to 1992-93 subject to certain conditions.
- (vii) S.O. 2023 published in Gazette of India dated the 13th July, 1996 making certain amendments in the Notification No. 9791 dated the 27th June, 1995 under section 10(23C) of the Income-tax Act, 1961.
- (viii) S.O. 2024 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Spastics Society of Eastern India, Calcutta" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1996-97 and 1997-98 subject to certain conditions.
- (ix) S.O. 2025 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Sri Sathya Sai Central Trust, White Field, Bangalore" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1996-97 to 1998-99 subject to certain conditions.
- (x) S.O. 2026 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Armed Forces Flag Day Fund, New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1994-95 to 1996-97 subject to certain conditions.
- (xi) S.O. 2027 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The National Institute of Bank Management, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1994-95 to 1996-97 subject to certain conditions.
- (xii) S.O. 2028 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Seva Mandir, Udaipur, Rajasthan" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1992-93 to 1994-95 subject to certain conditions.
- (xiii) S.O. 2029 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Madras Craft Foundation, Madras" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xiv) S.O. 2030 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Maratha Mandir, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xv) S.O. 2031 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Shree Jain Swetamber Bhandar Tirth, Bihar" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1992-93 to 1994-95 subject to certain conditions.
- (xvi) S.O. 2032 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Friends of Moral Re-Armament (India), Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xvii) S.O. 2033 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Cancer patients Aid Association, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period assessment years 1990-91 to 1992-93 subject to certain conditions.
- (xviii) S.O. 2034 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The People's Action for Development, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xix) S.O. 2035 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Ashwini rural Cancer Research and Relief Society, Barshi, Maharashtra" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.

- (xx) S.O. 2036 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Tagore Society for Rural Development, Calcutta" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1991-92 to 1993-94 subject to certain conditions.
- (xxi) S.O. 2037 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Institute of Marketing and Management, New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1990-91 to 1992-93 subject to certain conditions.
- (xxii) S.O. 2038 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Shraddhanand Mahilashram, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xxiii) S.O. 2039 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Khelaghar Sishu Nivas O Siksha Kendra, Calcutta" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xxiv) S.O. 2040 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Institute of rural Management, Anand" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xxv) S.O. 2041 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Centre for Research in Rural and Industrial Development, Chandigarh" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xxvi) S.O. 2042 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Society for Service to voluntary Agencies, Pune" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xxvii) S.O. 2043 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Indian Association of Parliamentarians on Population and Development, New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1992-93 to 1994-95 subject to certain conditions.
- (xxviii) S.O. 2044 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Association of State Road Transport Undertaking (ASRTU), New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1992-93 to 1994-95 subject to certain conditions.
- (xxix) S.O. 2045 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Jahangir Art Gallery, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1996-97 to 1998-99 subject to certain conditions.
- (xxx) S.O. 2046 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Small Farmers Agri-Business Consortium, New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xxxi) S.O. 2047 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Institute of Rail Transport (Regd.), New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xxxii) S.O. 2048 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Society of Sisters of Chairy of Saint B. Capitanio and V. Gerosa, Calcutta" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xxxiii) S.O. 2049 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Arya Vaidya Sala, Kottakkal, Kerala" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xxxiv) S.O. 2050 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The North Zone Cultural Centre, Patiala" under

- section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1991-92 to 1992-93 subject to certain conditions.
- (xxxv) S.O. 2051 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The North Zone Cultural Centre, Patiala" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xxxvi) S.O. 2052 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Gurudev Siddha Peeth, Maharashtra" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xxxvii) S.O. 2053 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Tribune Trust, Chandigarh" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xxxviii) S.O. 2054 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Shree Nasik Panchavati Panjarapole, Nasik" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xxxix) S.O. 2055 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The India International Trade Machinery Exhibition Society, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1996-97 to 1998-99 subject to certain conditions.
- (xl) S.O. 2056 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Veda Rakshana Nidhi Trust, Madras" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xli) S.O. 2057 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Vivekananda Nidhi, Calcutta" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xlii) S.O. 2058 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Association of Medical Physicists of India, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xliii) S.O. 2059 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Vivekanand Mission Ashram, West Bengal" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1988-89 to 1990-91 subject to certain conditions.
- (xliv) S.O. 2060 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Vivekanand Mission Ashram, West Bengal" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1991-92 to 1993-94 subject to certain conditions.
- (xlv) S.O. 2061 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Tuticorin Multipurpose Social Service Society, Tuticorin" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xlvi) S.O. 2062 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Shri Param Hans Advait Math Publication Society, New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1995-96 to 1997-98 subject to certain conditions.
- (xlvii) S.O. 2063 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Muniwar Abad Charitable Trust, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xlviii) S.O. 2064 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Centre for Public Sector Studies, New Delhi" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1993-94 to 1995-96 subject to certain conditions.
- (xlix) S.O. 2065 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The

National Association for the Blind, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1996-97 to 1998-99 subject to certain conditions.

- (i) S.O. 2066 published in Gazette of India dated the 13th July, 1996 regarding exemption to "The Bharatiya Vidya Bhavan, Bombay" under section 10(23C) of the Income-tax Act, 1961 for the period covered by the assessment years 1996-97 to 1998-99 subject to certain conditions.

[Placed in Library. See No. L.T.442/96]

- (2) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944:-

- (i) G.S.R. 128(E) published in Gazette of India dated the 12th March, 1996 together with an explanatory memorandum declaring M/s. Mangalore Refinery and Petrochemicals Limited, Mangalore, covered by Registration Certificate, as refinery.

- (ii) The Adhoc Exemption Order No. 43/8/96-CX dated the 31st May, 1996 together with an explanatory memorandum regarding exemption to 11,117 Nos. of Cu.Ni. Condenser tubes in 17 consignments procured and not used by the Andhra Pradesh State Electricity Board until 1st March, 1994 from the duty of excise leviable thereon, subject to certain conditions.

- (iii) Notification No. 29/96-Central Excises published in Gazette of India dated the 3rd September, 1996 together with an explanatory memorandum extending the scope of concessional rate of basic excise duty of five percent to cotton fabrics (not containing any other textile material) of value upto Rs. 30/- sqm. and increasing the effective rate of basic excise duty from ten percent *ad-valorem* to twelve percent *ad-valorem* in respect of processed fabrics and specified fabrics.

- (iv) Notification No. 27/96-Central Excises published in Gazette of India dated the 3rd September, 1996 together with an explanatory memorandum extending the scope of concessional rate of basic excise duty of five percent to cotton fabrics (not containing any other textile material) of value upto Rs. 30/- sqm. and reducing the effective rate of additional excise duty from ten percent *ad-valorem* to eight percent in respect of processed fabrics and specified fabrics.

- (v) Notification No. 29/96-Central Excises published in Gazette of India dated the 3rd September, 1996 together with an explanatory memorandum seeking to declare the inputs, final products and the rate of credit of declared duty on deemed basis of the Central Excises Rules, 1944.

- (vi) Notification No. 30/96-Central Excises published in Gazette of India dated the 3rd September, 1996 together with an explanatory memorandum extending the credit of specified duty paid on inputs used in the manufacture of specified fabrics.

[Placed in Library. See No. LT.443/96]

- (3) A copy each of the following Annual Reports and Accounts (Hindi and English versions) of the Regional Rural Banks for the year ended on the 31st March, 1996, together with Auditor's Report thereon:-

- (i) Solapur Gramin Bank, Solapur (Maharashtra).

[Placed in Library. See No. LT. 444/96]

- (ii) Chandrapur Gadchiroli Gramin Bank, Chandrapur (Maharashtra).

[Placed in Library. See No. LT. 445/96]

- (iii) Prathama Bank, Moradabad (U.P.)

[Placed in Library. See No. LT. 446/96]

- (iv) Surendranagar-Bhavnagar Gramin Bank, Surendranagar (Gujarat).

[Placed in Library. See No. LT. 447/96]

- (v) Tungabhadra Gramin Bank, Bellary (Karnataka)

[Placed in Library. See No. LT. 448/96]

- (vi) Bareilly Kshetriya Gramin Bank, Bareilly (U.P.).

[Placed in Library. See No. LT. 449/96]

- (vii) Vidur Gramin Bank, Bijpur (U.P.).

[Placed in Library. See No. LT. 450/96]

- (viii) Etah Gramin Bank, Etah (U.P.).

[Placed in Library. See No. LT. 451/96]

- (ix) Raigarh Kshetriya Gramin Bank, Raigarh (M.P.).

[Placed in Library. See No. LT. 452/96]

- (x) Pithoragarh Kshetriya Gramin Bank, Pithoragarh (U.P.).

[Placed in Library. See No. LT. 453/96]

- (xi) Raebareli Kshetriya Gramin Bank, Raebareli (U.P.)

[Placed in Library. See No. LT. 454/96]

- (xii) Bilaspur-Raipur Kshetriya Gramin Bank, Bilaspur (M.P.)

[Placed in Library. See No. LT. 455/96]

- (xiii) Banaskantha Mahsana Gramin Bank, Patan (Gujarat).

[Placed in Library. See No. LT. 456/96]

- (xiv) Adhiyaman Grama Bank, Dharmapuri (Tamil Nadu).

[Placed in Library. See No. LT. 457/96]

12.02¼ hrs.

[English]

BUSINESS ADVISORY COMMITTEE

Fifth Report

SHRI SOMNATH CHATTERJEE (Bolpur) : Sir, I beg to present the Fifth Report of the Business Advisory Committee.

12.02½ hrs.

STANDING COMMITTEE ON EXTERNAL AFFAIRS

First Report

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow) : Sir, I beg to present the First Report (Hindi and English versions) of the Standing Committee on External Affairs on Demand for Grants of the Ministry of External Affairs for 1996-97.

12.02¾ hrs.

[English]

STANDING COMMITTEE ON LABOUR AND WELFARE

First and Second Reports and Minutes

SHRI MADHUKAR SARPOTDAR (Mumbai North-West): Sir, I beg to present the First and Second Reports (Hindi and

English versions) of the Standing Committee on Labour and Welfare on (i) Demands for Grants of Ministry of Labour (1996-97) and (ii) Demands for Grants of Ministry of Welfare (1996-97) and Minutes of the sittings of the Committee relating thereto.

12.03 hrs.

[English]

STANDING COMMITTEE ON PETROLEUM AND CHEMICALS

First, Second and Third Reports

SHRI PABAN SINGH GHATOWAR (Dibrugarh): Sir, I beg to present the following Reports (Hindi and English versions) of the Standing Committee on Petroleum and Chemicals:-

- (1) First Report on Demands for Grants (1996-97) of the Ministry of Chemicals and Fertilizers, Department of Chemicals and Petrochemicals.
- (2) Second Report on Demands for Grants (1996-97) of the Ministry of Chemicals and Fertilizers, Department of Fertilizers.
- (3) Third Report on Demands for Grants (1996-97) of the Ministry of Petroleum and Natural Gas.

12.03½ hrs.

STANDING COMMITTEE ON HUMAN RESOURCE DEVELOPMENT

Forty-sixth, Forty-seventh and Forty-eighth Reports

[English]

DR. RAM CHANDRA DOME (Birbhum) : Sir, I beg to lay on the Table a copy each (Hindi and English versions) of the following Reports of the Standing Committee on Human Resource Development:-

- (1) Forty-sixth Report on Demands for Grants (1996-97) of the Department of Education (Ministry of Human Resource Development);
- (2) Forty-seventh Report on Demands for Grants (1996-97) of the Department of Women and Child Development (Ministry of Human Resource Development); and
- (3) Forty-eighth Report on Demands for Grants (1996-97) of the Department of Youth Affairs and Sports (Ministry of Human Resource Development).

12.04 hrs.

STANDING COMMITTEE ON TRANSPORT AND
TOURISM

Twenty-fourth Report

[English]

SHRI UTTAMSINGH PAWAR (Jalna) : Sir, I beg to lay the Twenty-fourth Report (Hindi and English versions) of the Standing Committee on Transport and Tourism on Demands for Grants (1996-97) of the Department of Civil Aviation.

12.04½ hrs

PETITIONS

[Translation]

Re: (i) Exploitation of labourers by contractors

and

(ii) Re: Exploitation of workers by the catering contractors at Katni Railway station at Jabalpur Division presented by Shri Sharad Yadav.

SHRI SHARAD YADAV : I beg to present (i) a petition signed by Shri Birsu Munda and other labourers of Kuteshwar Mines, Jabalpur regarding exploitation of labourers by contractors; and (ii) a Petition signed by Shri Debidin Gupta of Katni and others regarding exploitation of workers by the catering contractors at Katni Railway Station, Jabalpur Railway Division.

12.05 hrs.

[English]

BUSINESS OF THE HOUSE

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA): With your permission, Sir, I rise to announce that the Government Business during the week commencing Monday, the 9th September, 1996 will consist of:-

1. Consideration of any item of Government Business carried over from today's Order Paper.
2. Discussion and Voting on the Demands for Grants (General) for 1996-97 under the control of the Ministry of Human Resource Development.
3. Submission to the Vote of the House outstanding Demands for Grants in respect of Budget (General)

for 1996-97 at 6.00 p.m. on Monday, the 9th September, 1996.

4. General discussion on Jammu and Kashmir Budget for 1996-97.
5. Discussion and Voting on the Demands for Grants (Jammu and Kashmir) for 1996-97.
6. Consideration and passing of the Finance (No. 2) Bill, 1996.
7. General discussion on Uttar Pradesh Budget for 1996-97.
8. Submission to the Vote of the House Demands on Account (Uttar Pradesh) for 1996-97.
9. Discussion on the Resolution regarding rejection of the Award given on 31.03.1989 by the Board of Arbitration in C.A. Reference No. 3 of 1986 in respect of Encashment of Leave while in service in terms of para 21 of the Scheme for JCM and Compulsory Arbitration.

[Translation]

PROF. AJIT KUMAR MEHTA (Samastipur): Mr Speaker, Sir, I request that the following item may be included in the next week's agenda:

The contract system was abolished from 26 depots of the Foodgrains Storage Depot in pursuance of Notification in the Gazette of India Part II, section 3, sub-section 2, Number 203 March, 1991. However, the system has not yet been abolished in 10 depots.

The question of implementing the Notification should be discussed in the House.

VAIDYA DAU DAYAL JOSHI (Kota): Mr. Speaker, Sir, I request that the following items may be added in the agenda for the next week:

1. The country is making fast economic progress. Kota has been described as the industrial capital of Rajasthan, but the waiting list of telephone connections runs into thousands. The question of exhausting this waiting list needs to be discussed in the House.
2. The Central Railway is running three trains from Kota, namely Kota-Damoh, Kota-Bina and Kota-Bhopal. However, none of these is an Express train. Any one train on this route should be made Express.

[English]

SHRI HANNAN MOLLAH (Uluberia): Mr. Speaker, Sir,

the following issue should be included in the next week's agenda.

The United States had attacked several cities of Iraq with curse missiles during the last two days killing many civilians. This is totally an unwarranted aggression against the sovereignty of Iraq. It also imposed an unprecedented hardship on the common people there. We should condemn this aggression.

We should discuss this matter. The House should condemn this and this condemnation should come from the Chair.

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow): Mr. Speaker, Sir, this is an extremely important matter and the Government should come forward with a statement. Not only the entire House, but the whole country is worried on what is happening to Iraq. You may kindly direct the Government to make a statement in the matter.

[English]

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands): Sir, we support this.

SHRI SOMNATH CHATTERJEE (Bolgpur): Mr. Speaker, Sir...

MR. SPEAKER: Let him finish his submission.

SHRI HANNAN MOLLAH: Secondly, Sir, there is a most severe flood in the districts of Malda, Murshidabad, Nadia and in some parts of Howrah. The Government should give adequate financial assistance to the Government of West Bengal for rescue, relief and rehabilitation of thousands of flood victims.

SHRI SOMNATH CHATTERJEE: We do not know whether we will be able to find time, although we do want a proper discussion on this very serious matter. In any event, the entire House should condemn most strongly the blatant aggression that has been committed by the United States on Iraq. The United States is trying to impose their hegemony all over the world and is trying to play the role of a policeman when no policeman activity is necessary. We must condemn this aggression, and I demand a proper discussion on this. When the matter has been raised, let us condemn it unitedly here so that our message can be sent there.

SHRI SONTOSH MOHAN DEV (Silchar): Sir, we join the other Members while condemning the attack on another country by the United States of America. We expect the Government to find out some time to discuss this. Now that the B.J.P. has come down, the House will run smoothly. So,

let us have a discussion on this. I agree with Shri Vajpayee that some discussion should take place on this.

SHRI P.R. DASMUNSI (Howrah): Sir, a *suo motu* statement should have come from the Government. Why are we waiting for a discussion? A statement should have been made by this time. It is a very serious matter and a *suo motu* statement should have come. (Interruptions)

MR. SPEAKER: Let us have some order because it is a serious matter.

SHRI G.M. BANATWALLA (Ponnani): Mr. Speaker, Sir, I had already given you the notice on two matters, one of which is on this same topic.

Therefore, at this present juncture itself, I will raise my first point and reserve the second whenever I am called upon by you.

The United States' attack on Iraq is extremely deplorable. There can be no two opinions about that. The aggression has to be condemned in the strongest possible terms. There is need also for international intervention to halt the United States.

Now, the Government of India has correctly criticised the United States' action through its spokesman. But the stand has been very mild. The Government needs to make a statement on the matter. This requires a discussion in the House... (Interruptions)

SHRI MADHUKAR SARPOTDAR (Mumbai North-West): Mr. Speaker, Sir, about this particular aggression, if you see the whole world, most of the countries have condemned this aggression. Only a few countries have supported the United States of America. The most surprising thing is that the Government of India has not come out with any reaction... (Interruptions). For that purpose, it is absolutely necessary that we should discuss this subject matter in the House and condemn this aggression in the interest of democracy.

SHRI P.R. DASMUNSI: It should be unanimously condemned.

[Translation]

SHRI ATAL BIHARI VAJPAYEE: A statement on the American attack has been given from the Government side, but that has been done outside the House. They should make a statement before the House, and the Members should be given an opportunity to express their views.

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND

MINISTER OF TOURISM (SHRI SRIKANTA JENA): Sir, the External Affairs Minister has told me just now that he is exactly clarifying the Government of India's stand on this issue in the other House. He is coming to this House just after that and he will clarify.

MR. SPEAKER: So, it is good that he will make a statement on that.

[Translation]

PROF. RASA SINGH RAWAT (Ajmer): Mr. Speaker, Sir, I shall be grateful to you for including the following items in the agenda for the next week:

1. It is necessary to set up the new Railway Zone at Ajmer, known as the 'Railway City', in view of the availability of all the required facilities there and its central geographical location.
2. It is necessary to convert the National Highway No. 8 into four lanes between Jaipur and Ajmer in view of the heavy pressure of transport between the two cities.

DR. LAXMINARAYAN PANDEY (Mandsaur): Mr. Speaker, Sir, I request for inclusion of the following items in the next week's agenda:

1. Effective legislative steps should be taken by the Central Government to check the atmospheric and water pollution being caused by Jayant Vitamins, Boridaya Chemicals and various distilleries and chemical units.
2. A new sugar policy should be framed by the Government relating to sugarcane growers and sugar mill owners in view of the urgency of increasing the sugar production.

SHRI JAI PRAKASH AGARWAL (Chandni Chowk - Delhi): Mr. Speaker, Sir, I request that the following two items be included in the agenda for the next week:

1. Provision of basic facilities at the slaughter-house at Motia Khan, Delhi.
2. Consideration of the situation arising out of the lottery business in the capital city of Delhi.

[English]

MR. SPEAKER: It is a State subject. It cannot be done.

[Translation]

SHRI NANDKUMAR SAI (Raigarh): Mr. Speaker, Sir,

Kindly include the following items in the agenda for the next week:

1. The prevalence of viral fever and malaria in a serious form is taking a huge toll of lives of the Adivasis and other poor people in the far fetched Advasi areas of Madhya Pradesh as there is acute shortage of dispensaries, doctors and medicines. The Central Government should take immediate measures to control these diseases.
2. The quality of construction works executed in Raigarh district of Madhya Pradesh by the Indian Government from the financial provisions made in J.R.Y. and other heads is very poor. A number of school buildings culverts and other buildings have started wearing out even before being dedicated to the people. It is necessary that the Central government institute a detailed enquiry into these construction works executed during the last five years in Raigarh district.

[English]

SHRI G.M. BANATWALLA: Sir, TADA cases need to be withdrawn after the issue of TADA Act. The Government needs to make a statement in this regard.

[Translation]

DR. SATYANARAYAN JATIA (Ujjain): Sir, I request that the following items be included in the agenda of the next week:

1. The proposed reservation for Christians should not be a part of the existing reservation quota for the scheduled castes, but the existing 15 per cent be increased to 17 per cent as per proportion to their population.
2. Serious implications of the shooting down of the helicopter of the Indian forces by Pakistan and need for strengthening and streamlining the security arrangements of the country.

[English]

SHRI P.C. THOMAS (Muvattupuzha): We strongly oppose the first suggestion.

MR. SPEAKER: This is only for inclusion in the next week's agenda.

SHRI P.C. THOMAS: Please think of the plight of the poor.

MR. SPEAKER: It is not a discussion. This is only a request for inclusion in the next week's agenda.

12.16 hrs.

RE: RECENT POLITICAL DEVELOPMENTS IN GUJARAT

[Translation]

SHRI JASWANT SINGH (Chittorgarh): Mr. Speaker Sir, I want to submit that a situation creating a deadlock in the House is never a pleasant experience. If some deadlock arose in the House two days before the festival of Janma Ashthami.....(Interruptions)

[English]

MR. SPEAKER: Please listen. Please sit down.

[Translation]

SHRI JASWANT SINGH: The deadlock that occurred in the House recently, just two days before Janma Ashthami, is not a matter of happiness for the Bharatiya Janata Party; in fact, it a matter of concern. I had expected, and expect even now, that the concern which we have expressed will be shared by our other friends in the House.

Our anxiety arises out of a basic issue. A deliberate attempt has been made to create an artificial constitutional crisis in Gujarat. If the Government of Gujarat seeks to prove its majority in a legal and constitutional manner, it is thwarted, not once but twice, from seeking the vote of confidence. The entire episode, surreptitious moves culminating into that situation, intriguing silence of the Government, reports emanating on who is meeting whom, what kinds of talks are going on, what inducements are being offered - all this was natural to cause suspicion in our minds that an effort was afoot on the part of the Government to create a crisis somehow or the other and prevent the elected Government of the State from proving its majority. That was our complaint. The Constitution has been violated there.....(Interruptions)

SHRI TARIT BARAN TOPDAR (Barrackpore): Whose jurisdiction is this... (Interruptions)

[English]

MR. SPEAKER: You do not have to react. I will react to this

[Translation]

SHRI JASWANT SINGH: Mr. Speaker, We had expected and demanded and continue to demand, that the Government should make its stand clear.

Many things are said by the Government with regard to Article 356. Their manifesto also incorporates many things. We want an assurance from the Government that it will not

unduly interfere in the Gujarat situation, that it will not create an artificial constitutional crisis there, but allow the elected Government of the State to continue to function constitutionally and let it prove its majority in the Assembly which it is prepared to do. Only that is our demand and we expect the Government to give an assurance in this respect. The deadlock that arose in the House was basically due to this and the only solution is an assurance from the Government.

[English]

SHRI SOMNATH CHATTERJEE (Bolpur): Mr. Speaker, Sir, I really rise because the hon. Deputy Leader of BJP has commented that other parties should have responded. Yes, we have responded - we have condemned your attitude here

Sir, still, the hon. Member Shri Jaswant Singh has not said how this Parliament was involved by disturbing the proceedings here in a very important Session, the Budget Session. We have hardly tried to discuss the Demands for Grants of various Ministries.

Shri Vajpayeeji shows concerns but it appears that his wise counsel is not being accepted by his Party, apparently... (Interruptions)... by your conduct and behaviour. Then, either you have persuaded him to change his opinion or he has failed to impress upon you; or he has two opinions to be applied.

DR. MURLI MANOHAR JOSHI (Allahabad): Our Party is behind Shri Vajpayeeji.

SHRI SOMNATH CHATTERJEE: Very good. For a change, something has taken place.

SHRI HANNAH MOLLAH (Uluberia): They are not behind Shri Advaniji. That is very good.

DR. MURLI MANOHAR JOSHI: He is our leader in the House. Talking about parliamentary party, as a parliamentary party, our party is behind Vajpayeeji... (Interruptions)... Do not try to create confusion which is not there... (Interruptions?)

SHRI SOMNATH CHATTERJEE: Sir, why should I try to create confusion when confusion is already there in their ranks? It is unfortunate that many parties have no presence in Gujarat, specially the secular parties. Many of the secular parties, I hope, will soon be there.

What is happening in Gujarat? It is your own internal quarrel. You cannot keep your people together. I am not using the word 'flock'. If some Minister there, is deprived of all his clothing, it is not our function. We have not done it. (Interruptions)... You want him to be brought into the House. (Interruptions)... What are you talking?... (Interruptions)...

Sir, they give us so many lectures on morality, on public behaviour, on allowing the Parliament to function. But now they are trying to hold the whole country to ransom, the Parliament is not functioning for a subject which the Parliament has nothing to do. They go in a procession and all that - all right. But why are they appealing to us?

Shri Jaswant Singh, you should turn otherwise your head that side and address your own Members and your own party people in Gujarat. Certainly, we want that the Gujarat Assembly should decide who should be ruling there. And I must congratulate the Government that they have not interfered and they have let the parliamentary process continue there, operate there. Then, why are you blaming the Government and why are you stalling the proceedings in Parliament?

Not a word in justification has been said. If the hon. Deputy-Speaker of the Assembly has not acted properly - as you say - there is a procedure to be followed. We cannot remove him just to suit their convenience... *(Interruptions)*

DR. MURLI MANOHAR JOSHI : That is the whole thing. Let the proper procedure be allowed to be followed and the Government assure us... *(Interruptions)*

SHRI SOMNATH CHATTERJEE : Shri Jaswant Singh has asked here 'why the Government is silent'? What should the Government do?

DR. MURLI MANOHAR JOSHI : Advise them.

SHRI SOMNATH CHATTERJEE : The Government has not fallen into a trap. I congratulate the Government. I am sure you have seen the wise counsel of our Home Minister.

SHRI KRISHAN LAL SHARMA (Outer Delhi) : The Ruling Party and the Congress have defended the role of the Deputy-Speaker there... *(Interruptions)*... I have the statement of Shri Sharad Yadav... *(Interruptions)*...

SHRI P.R. DASMUNSI : The conduct of the Deputy Speaker has not been defended here.

MR. SPEAKER : Please do not complicate the matter. Let us listen to Shri Chatterjee. Nothing will go on record.

(Interruptions) ...*

[Translation]

MR. SPEAKER : What all this is going on?

[English]

SHRI SOMNATH CHATTERJEE : I can understand their agony, nervousness because the simulated support that was there, the message that they have been trying to give that

they are very much democracy oriented, that they have a commitment to Parliament, all these things were sought to be projected, but today they stand totally naked. One of the most anti-Parliamentary democratic attitudes one can think of, I am putting it very mildly Shri Jaswant Singh, has been demonstrated by them. Therefore we cannot but condemn the most irresponsible behaviour of the BJP in the House to stall the proceedings of the House.

I am sure whatever the Government has to say will say. But we cannot but protest most strongly against the misuse of the Parliament's time. We are told this is a very valuable time.

DR. MURLI MANOHAR JOSHI : When did you realise it?... *(Interruptions)*

SHRI SOMNATH CHATTERJEE : I thought that after his long occupation in the Finance Ministry for thirteen days, at least the value of time has been understood by Shri Jaswant Singh and the BJP. They have not learnt even that. But that does not mean that we can be prevailed upon to dance to their tune.

Again, the people of this country will give their judgement at the proper time and they would be put in the proper place.

SHRI SONTOSH MOHAN DEV (Silchar) : In this session we have got very very vital issues to be disposed of. There is the Budget business. We have not heard the reply of the Finance Minister. We have to pass the Finance Bill. We have to discuss the Demands for Grants of certain Ministries.

Now the Gujarat issue has been raised here. It is up to the Government to react or not to react to it. I am not going into it. I strongly object to the remark of one of the very senior hon. Members that the Congress is doing it in Gujarat. When Shri Suraj Bhan goes and takes the Chair, he is the Deputy Speaker. He has nothing to do with the BJP. His conduct is his conduct; not the conduct of the BJP. So, the Deputy Speaker's role should not be tagged up with that of the Congress because the Congress has nothing to do with it. We do not want to do anything. You are enough to finish your own party! You are doing it. We wish you success in continuing to do it. We are least bothered.

But what we are interested and what I shall appeal to the House, irrespective of parties, is that let the House start functioning. There was a very good Question Hour. I had a very good question and very good answer had come.

Now the hon. Prime Minister is here. I would be happy if he tells the House what he told me yesterday. Shri Vajpayee is very reasonable. He says that he would keep his boys under control. I will request that let us start functioning. I must say

that, whatever Shri Joshi says, he should not be behind Vajpayeeji, he should be with Vajpayeeji, because in politics if you are behind, you can stab easily! That is very bad thing.

DR. MURLI MANOHAR JOSHI : The Congress history is not repeated here. It is with you.

SHRI SONTOSH MOHAN DEV : With these words I request the Prime Minister to say something.

MR. SPEAKER : Would the Prime Minister like to say something?

THE PRIME MINISTER (SHRI H.D. DEVE GOWDA) : Hon. Speaker, Sir, with your kind permission, I would like to make the following statement with regard to the Gujarat issue which was the main ingredient for stalling the proceedings of the House for nearly two days.

At least today, the hon. Leader of the Opposition and his Party have cooperated to have the Question Hour. Now, he wanted to know the reaction of the Government. There is no need for me to hesitate so far as the Government side is concerned. I have made it clear yesterday in the Press conference. I am going to read the same thing here today.

Hon. Speaker, Sir, the recent developments in the Gujarat Assembly are a matter of concern for all, including the Government of India. However, as far as the Government of India is concerned, while it has a responsibility to monitor the developments in all the States including Gujarat, since developments of this nature would have an impact on the law and order situation, I wish to make it clear that there is no question of interference in the political affairs of Gujarat by the Government of India. The present situation in Gujarat is something which needs to be sorted out by the political parties in Gujarat and by the State Government.

The Government of India comes into the picture only if it is convinced that there is a break down of Constitutional machinery in the State. Even here, the matter is very much within the jurisdiction of the State Governor. The question of any interference from the Government of India, therefore, does not arise.

[Translation]

SHRI RAM NAIK (Mumbai-North) : Sir, I have given a notice about Shri Sukh Ram... (Interruptions)

[English]

MR. SPEAKER : I think, I have received your notice. Since I do not have the facts with me, I have called for the facts from the Ministry of Home Affairs and since the hon. Member is a Member of the present House, it is only fair on my part to have his comments also. So, I have asked for his comments, that is the comments of the hon. Member, as

well as the report from the Government of India. After receiving them, this matter could be discussed.

SHRIMATI SUSHMA SWARAJ (South Delhi) : Is he available for giving comments?

SHRI RAM NAIK : Sir, so much of time has already been lost. If you do not allow me today, I can understand that. I think, I would be allowed at least on Monday. If the Member does not reply... (Interruptions)

MR. SPEAKER : Let us hope that by Monday the reply would be coming.

SHRI RAM NAIK : The point is that we are trying to judge his conduct. If he does not reply, we should not be deprived of discussing his conduct. So, if you want, you can allow me on Monday. But it should not be just... (Interruptions)

MR. SPEAKER : I am not trying to reject it at all. I am only saying that I am waiting for the report of the Government of India, that is from the CBI and also the comments of the hon. Member. Once I get these two, ...

(Interruptions)

SHRIMATI SUSHMA SWARAJ : And if the hon. Member is not available for giving his comments, how would you obtain his comments?

MR. SPEAKER : In order to give his comments, the hon. Member need not be here.

SHRIMATI SUSHMA SWARAJ : How will you get the comments of a person who is completely underground? He is not available.

MR. SPEAKER : We have sent the message to him, wherever he is.

SHRI RAM NAIK : Sir, I hope I will be allowed on Monday.

MR. SPEAKER : All right.

... (Interruptions)

MR. SPEAKER : I am going to allow all those hon. Members, who have given notices for the Zero Hour. Everybody would be allowed. Please be short and brief, so that everybody gets a chance.

12.34 hrs.

[MR. DEPUTY SPEAKER in the Chair]

[Translation]

SHRI SYED MASUDAL HOSSAIN (Murshidabad) : Sir, I had raised a question on 2nd August... (Interruptions)

SHRI RAJENDRA AGNIHOTRI (Jhansi) : Mr. Deputy Speaker, Sir, an incident occurred in Hamirpur district involving an hon. Member... *(Interruptions)*

MR. DEPUTY SPEAKER : Let him make his submission first.

(Interruptions)

SHRI RAJENDRA AGNIHOTRI : An incident involving an hon. Member has occurred. It is an important matter... *(Interruptions)*

MR. DEPUTY SPEAKER : I have already asked him to speak...

(Interruptions)

SHRI SYED MASUDAL HOSSAIN : Mr. Deputy Speaker, Sir, on the 2nd August, I had raised a question about the erosion of land in my constituency... *(Interruptions)*. The land there is shifting to the side of Bangladesh and nobody has paid any attention to it. The people who are now stranded there due to floods do not want to go anywhere, leaving their houses, because they will have to come to this side after swimming through 8 kms of water. If they come over here from the other side, Bangladesh will occupy all that land. I have been repeatedly raising this question of land erosion... *(Interruptions)*. This is Indo-Bangladesh river Ganga. We have been raising this question for the last 16 years. The erosion has been going on for 40 years. My constituency now is on the other side of Ganga, bordering Bangladesh, having receded by 8 kms. Both the Parliamentary Affairs Minister and the Finance Minister were present when I raised this question last time. The Minister of Parliamentary Affairs gave an assurance also that he would do something in the matter. When I met the Minister of Water Resources, he also gave an assurance.

The Prime Minister is coming to my State again and again and he met the Deputy Finance Commissioner too. A proposal to the tune of Rs. 150 crores has been put forward to check this erosion of about 105 kms. I had raised this question the other day so that our land may be prevented from going over to Bangladesh, but nobody appears to be concerned about it... *(Interruptions)*. Please do not take this question lightly, don't take it jocularly. I have been raising this question repeatedly and there is no action on the assurance given in the House by the Minister of Parliamentary Affairs. The Home Minister is here, the Finance Minister is also here, at least they should say something about the border, about that portion of our land bordering Bangladesh.

I had also raised another question prior to this one. It was about a complete portion of land known as Jamaipur which is now under occupation of Bangladesh. At least a statement should come about this... *(Interruptions)*

MR. DEPUTY SPEAKER : I have got the list. I will call out the names from it...

... (Interruptions)

[English]

MR. DEPUTY-SPEAKER : Please listen. The Prime Minister wants to say something on this issue.

THE PRIME MINISTER (SHRI H.D. DEVE GOWDA) : Sir, with your kind permission I would like to make a statement on the natural calamity like flood havoc in various rivers of North Indian States. I would like to take this issue as a non-political issue. First of all, I would like to make it clear that this is not a political issue. This is a national issue and we have not applied our mind all these years for finding out a permanent solution to this problem. Every year we are facing either high floods or severe droughts. Every year we are debating on this issue. I agree with the hon. Member as something... *(Interruptions)* I have already instructed the Minister of Planning to appoint a high-powered committee which will consist of only experts to study this aspect and give a report within three months. I have requested Dr. Alagh to find out... *(Interruptions)* Please let me conclude the statement. Shri Ghani Khan Choudhury and others have met me and apprised me what exactly is the damage done to Malda, the constituency of Shri Ghani Khan Choudhury. The Chief Minister of West Bengal had a discussion with me today morning for nearly one hour about the total damage that has taken place in the entire State due to floods. Bihar is facing the same situation. Recently Bihar witnessed floods... *(Interruptions)* Yes, UP is also affected by floods-Mathura, Agra, all are affected by floods. I do not want to make this issue a political issue. I said that I would like to take it as a national issue and I would see some remedy is found out. I have requested the Minister of Planning to appoint an Experts Committee, consisting of experts, who are well equipped with the technical knowledge.

Let me be very plain. There is no question of mixing politics in that. I told him; and I have also suggested some ideas. In the meanwhile, the Centre is prepared to give some funds to take up relief measures. That is the first thing. Secondly, I am going to visit that area after the 13th of this month. May be on 15th or 16th, personally I will visit both Bihar and West Bengal. I will inform all the hon. Members concerned about this. I will personally have a visit. Whatever is possible within the limits of the Central Government, we will take action immediately... *(Interruptions)*

[Translation]

SHRI BHAGWAN SHANKAR RAWAT (Agra) : The hon. Prime Minister may kindly come to Uttar Pradesh and see the situation there also.

MR. DEPUTY SPEAKER : Please sit down. Shri Shivraj Singh.

SHRI SHIVRAJ SINGH (Vidisha) : Mr. Deputy Speaker, I want to raise a serious matter.

SHRI BHAGWAN SHANKAR RAWAT : The Government of Uttar Pradesh has asked for Rs. 300 crores

MR. DEPUTY SPEAKER : He has already said this. Please resume your seat and let the hon. Member speak..

... (Interruptions)

[English]

SHRI RAJESH PILOT (Dausa) : Mr. Deputy Speaker, Sir, the Prime Minister is leaving the House, but I want to raise an important issue... (Interruptions)

[Translation]

SHRI SHIVRAJ SINGH : Sir, an extra-constitutional authority is functioning in Raisen district of Madhya Pradesh. The entire district administration and the police are at the command of a Dharam Guru. Constant attempts are being made by the police and the district administration to suppress Shri Prahlad Patel, Parliament Member elected from Sivni, as also his colleagues. That Dharam Guru is bent upon finishing them because they are opposed to his misdeeds. A worker of the Bharatiya Janta Party, Shri Netram Patel, who was the Vice-Chairman of the Municipality there, was shot dead by the police and the police has announced a prize of Rs. 2000/- for the arrest of the Member's brother. On the 30th July, Shri Prahlad Patel had raised the matter in this House pointing out that he was feeling insecure because of the treatment being meted out to him by the Government of Madhya Pradesh and the State Police Officers. He had requested the Centre to take responsibility of his safety since he had no faith in the Government of Madhya Pradesh. Sir, I want to tell the Government through you that the life of the hon. Member Shri Prahlad Patel is in danger as the district and State administrations of Madhya Pradesh are out to finish him. You are the patron of this House and I appeal to you to arrange for complete security to the life and property of the Member as also his brother since the police has announced a prize of Rs. 2000/- for his arrest. He may ever be shot dead

SHRI LAKSHMAN SINGH (Rajgarh) : Mr. Deputy Speaker, there is no danger to the life of Shri Prahlad Patel. His statement is not true. Such matters should not be allowed to be raised here. This should be raised in the State Assembly. (Interruptions)

MR. DEPUTY SPEAKER : Please take your seat

[English]

SHRI P.R. DASMUNSI (Howrah) : Sir, I would like to draw the attention of this House and through you, of the Government to this issue

On 21st May 1991, the former Leader of this House and

the former Prime Minister of this country was assassinated... (Interruptions)

[Translation]

SHRI RAJENDRA AGNIHOTRI : The Home Minister may make a statement on this

MR. DEPUTY SPEAKER : Please let him speak.

SHRI RAJENDRA AGNIHOTRI : It is a question of the security of a Member. His life is in danger. He is giving an information... (Interruptions)

MR. DEPUTY SPEAKER : He has already made his point...

(Interruptions)

MR. DEPUTY SPEAKER : Let him complete. I will then see what can be done.

[English]

SHRI P.R. DASMUNSI : Mr. Deputy-Speaker, Sir, Shri Rajiv Gandhi was assassinated on 21st May 1991. Now, it is 1996. More than five years are over. The Special Investigation Team at Madras are not at all investigating the matter in a way which the entire thing could have been brought to light

A concern is being expressed internationally over this matter. It is not a light matter. A lot of things had happened behind the plot of the murder of Rajiv Gandhi. In India and even outside the country, a lot of things have been published in different kinds of newspapers and magazines. The former Chief Secretary is not appearing before the SIT on various pleas. Several other witnesses are not appearing before the Investigating Team. The persons who should be investigated are not being brought to the SIT.

Shri P. Chidambaram, at present Minister of Finance, he was also a Minister in charge earlier - had made a categorical declaration to monitor the entire investigation and to give some kind of an appraisal before 31st December 1995. That period has also expired.

Now, I would like the Government at least to take the House into confidence about why this delay is continuing in the SIT's case in Madras over the entire matter of Shri Rajiv Gandhi's assassination. He was not only the Prime Minister and the former leader of the House, but he was also an international personality. It is a shame for India that for five years we could not at least investigate and give a full report about the murder of Shri Rajiv Gandhi. I would like to urge upon you about this matter. Through you, I would like to convey to the Government to take a serious note about the attitude and to find out why this delay is continuing. Several officers have been transferred. A few officers, who are doing the work

have been asked to go to several other stations. This kind of thing is not good. It is creating a lot of confusion.

I, therefore, plead with you to kindly take it seriously and to take the House into confidence immediately because the commitment was made before the previous House that by 31st December, an appraisal would be made. Now, it is already September, 1996. Nothing has come out.

I would like to know from the Government whether the SIT people are expressing their inability to get hold of the people whom they intend to investigate or they are not getting enough cooperation from certain agencies about which I would not like to elaborate now. The Home Ministry must be taken into confidence.

[Translation]

MR. DEPUTY SPEAKER : Shri Bhagwan Shankar Rawat may now speak...

(Interruptions)

MR. DEPUTY SPEAKER : One minute. Let him speak.

SHRI AIAL BIHARI VAJPAYEE (Lucknow) : Mr. Deputy Speaker, Sir, the matter was earlier raised by Shri Chauhan. It relates to the security of a Member, Shri Prahlad Singh Patel. He is facing a serious threat from some anti-social elements there as also from certain elements in the administration. You can direct the Home Minister to collect all information in this connection. After all, a Member of the House should have proper security.

MR. DEPUTY SPEAKER : This matter has already been raised in the House earlier.

... (Interruptions)

KUMARI UMA BHARATI (Khajuraho) : Mr. Deputy Speaker, one of his colleagues has been shot dead. His brother carries a prize for arrest. The State Government is bent upon finishing him. Any day we can receive news about his murder and this matter has been raised in the House more than once. A State Government is hell bent on taking the life of a Member of Parliament, and this House cannot protect his life?... (Interruptions)

DR. MURLI MANOHAR JOSHI (Allahabad) : Last time also, the question of the security of the Member was raised and it has again come up today. It becomes our responsibility and the Government must provide him security. He should be given security at the Central level. His life has to be saved and a report should be called for from the State on what is happening there. We cannot even dream of such kind of conduct in a democracy... (Interruptions)

MR. DEPUTY SPEAKER : Please resume your seat for a minute. This issue has been raised in the House earlier also.

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA) : The Leader of the Opposition may please give me all details. The matter has been raised in the House, I do not deny it might have been raised earlier... (Interruptions)

[English]

MR. DEPUTY SPEAKER : Government has to take notice of what is said in the House...

(Interruptions)

[Translation]

MR. DEPUTY SPEAKER : Just a minute please.

DR. MURLI MANOHAR JOSHI : Are you not kept informed of the proceedings of the House? Do the officers of your Ministry keep you ignorant of the proceedings of the House? ... (Interruptions)

MR. DEPUTY SPEAKER : The matter has been raised before you.

DR. MURLI MANOHAR JOSHI : The matter was raised here, what is meant by 'might have been raised'? This matter has been raised and raised seriously. Even today, our party is raising it seriously... (Interruptions)

SHRI INDRAJIT GUPTA : You are raising this matter, I assure you that it would be fully looked into and whatever action is necessary will be taken.

DR. MURLI MANOHAR JOSHI : Will security be provided?

SHRI INDRAJIT GUPTA : Of course, security, what else?

SHRI GANGA CHARAN RAJPUT (Hamirpur) (U.P.) : The High Court had issued directions to provide security to some persons. On the 29th, I sent a representative of mine to the S.P. with the orders of the High Court for requesting the S.P. to implement the order of the Court. But the S.P. along with some of his men beat my representative so severely, that he died in the hospital on 4th September. Sir, so far we had known people being beaten up by SHO and constables, but here is a senior police officer of the Indian Police Service beating a person in his office. The S.P. also implicated him in a false case. The post mortum report was got changed by

pressurising the doctors who noted down that the person died due to illness even though he had four fractures on his body. He was the President of All India Goldsmiths Association and there had never been any case against him, but a false case under Arms Act was registered against him and he was sent to jail. The local papers have reported that the police beat up a representative of M.P. so severely that he died. He had gone there with the orders of the Supreme Court.

Mr. Deputy Speaker, Sir that police officer is violating the orders of the Supreme Court and he beat up the representative of a Member of Parliament so cruelly that he died. What kind of law and order is this? Uttar Pradesh is under President's Rule and, therefore, I request the Home Minister to make a statement in the matter and I also demand that the concerned police officer be suspended and an enquiry into the case be entrusted to CBI. So long as this demand of mine is not conceded, I will sit on an indefinite *dharna* in the House. If the life of my representative is not safe, there cannot be any safety to my life also. This police officer should be arrested immediately under section 302 and sent to jail. It is a very serious matter.....(Interruptions)

MR. DEPUTY-SPEAKER: You have made a mention, please resume your seat now

.....(Interruptions)

SHRI RAJENDRA AGNIHOTRI: This matter relates to a place adjoining my constituency.....(Interruptions)

MR. DEPUTY-SPEAKER: You should not start speaking without being called.

.....(Interruptions)

SHRI RAJENDRA AGNIHOTRI: It is a serious matter. The hon. Minister should make a Statement (Interruptions)

MR. DEPUTY SPEAKER: He has already said that it is a serious matter. Why should the same thing be repeated.

..... (Interruptions)

MR. DEPUTY-SPEAKER: I have not called you to speak. Shri Bhagwan Shanker Rawat will make his points

SHRI BHAGWAN SHANKAR RAWAT (Agra). Mr. Deputy-Speaker, the hon. Prime Minister has left the House, but I would like to draw the attention of his representatives who are here to the situation of floods. He has expressed concern over the floods....

MR. DEPUTY-SPEAKER: The Prime Minister has already made a statement on floods

SHRI BHAGWAN SHANKAR RAWAT: But I want to add something to it. The Government of Uttar Pradesh has sent a project costing Rs. 300 crores for initiating immediate and

long-term measures to control floods. I want that this plan may be forwarded to the Planning Commission. So far, only Rs. 46 crores have been given which is causing great anxiety. Agra and Mathura are again in the grip of floods. The people of Bharatpur are determined to cut off the Govardhan Range. The people are in great distress due to floods and the farmers have been ruined.

[English]

MR. DEPUTY-SPEAKER: Zero Hour is over.

..... (Interruptions)

MR. DEPUTY-SPEAKER: Please sit down. Zero Hour is over. The Minister of External Affairs may please make his statement.

..... (Interruptions)

MR. DEPUTY-SPEAKER: I have received no notice. Let him speak first.

..... (Interruptions)

MR. DEPUTY-SPEAKER: Zero Hour is over. You can raise the matter on Monday

..... (Interruptions)

MR. DEPUTY-SPEAKER: Please sit down.

..... (Interruptions)

SHRI RAJESH PILOT: Sir, Parliament has passed the Delhi Rent Control Act. Why is the Government not implementing it? Let us be given an assurance that the Delhi Rent Control Act would be implemented by the Government

MR. DEPUTY-SPEAKER: Let the Minister make his statement

SHRI RAJESH PILOT: Sir, it has been passed by Parliament. Why is the Government hesitating to implement it?... (Interruptions)

MR. DEPUTY-SPEAKER: Yes, Mr. Minister

12.56 hrs

[English]

STATEMENT BY MINISTER

U.S. ATTACKS IN IRAQ

THE MINISTER OF EXTERNAL AFFAIRS (SHRI I.K. GUJRAL): Sir, I regret that when my hon. friends mentioned

about the situation in Iraq, I was in the other House on the same subject.

Sir, but may I with your permission take this opportunity to say that the views expressed by my hon. friends have been receiving my attention

Members have expressed their strong feelings on the US cruise missiles attacks against Iraq on September 3 and 4, 1996. Their sentiments are in large measure shared by the Government. It would be recalled that we had issued an official statement immediately after we received the initial information regarding the US attacks on September 3, 1996. We had expressed our great concern at these attacks and their adverse effects on peace and security in the area. We also expressed our firm conviction that enforcement action under UN Security Council resolutions can only be undertaken by the Council itself.

As Members have noted, there has been widespread international opposition to the US action, which is not in consonance with accepted norms and conduct in international relations. There is a particular responsibility on all countries to respect the international law and not to take the law into their own hands, and to preserve and strengthen the available international institutions for the maintenance of peace and security, especially the UN Security Council.

Despite the widespread international sentiment against the US action, the United States again undertook cruise missiles attacks on Iraq on September 4, 1996. We do not know if more attacks are planned. This is highly regrettable. The Government of India is unable to accept the justification put forward for the bombing, on the grounds of alleged Iraqi contravention of UN Security Council resolutions, or the protection of the interests of the US and its allies in the Gulf, has any basis. We call upon the United States to refrain from any further attacks on Iraq, and to respect its sovereignty and territorial integrity which has been reiterated in the same UN Security Council resolutions.

We are particularly distressed that the Security Council's relaxation on the embargo on Iraqi oil export to enable it to purchase medicines and food for the Iraqi people has been frozen. The Iraqi population, including the innocent women and children, have been subjected to great hardship and deprivation for many years by UN sanctions, and we believe that steps to provide them with relief are long overdue.

These developments have also had a direct impact on India. The price of oil has gone up. The adverse effect of the atmosphere of uncertainty in countries in the region, where we have important interest, including those flowing from the presence of large number of Indians living and working there, is naturally a worrying factor. There is also the possibility of these events leading to an upsurge of tension in the area.

We are watching the situation closely and we are in touch with friendly countries in this matter.

[English]

MR. DEPUTY-SPEAKER: The House stands adjourned to meet again at 2 o'clock.

12.59 hrs

The Lok Sabha then adjourned for Lunch till Fourteen of the Clock.

14.10 hrs.

At 1400 hours quorum bell was rung. No quorum was made. At 1403 hours quorum bell was rung again and no quorum was made. At 1406 hours once again quorum bell was rung and no quorum was made. Thereafter, the Secretary-General made the following announcement:

SECRETARY-GENERAL: There is no quorum. So, the House cannot meet. We cannot start the House till there is quorum. The hon. Speaker has directed that the House will meet 15 minutes later.

14.26 hrs

The Lok Sabha reassembled at Twenty Six Minutes past Fourteen of the Clock.

(SHRI NITISH KUMAR *in the Chair*)

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

SITUATION ARISING OUT OF CLOSURE OF A NUMBER OF JUTE MILLS IN THE COUNTRY PARTICULARLY IN WEST BENGAL

SHRI P.R. DASMUNSI (Howrah): Sir, I call the attention of the Minister of Textiles to the following matter of urgent public importance and request that he may make a statement thereon:

"Situation arising out of closure of a number of jute mills in the country particularly in West Bengal and non-availability of funds for the purchase of raw jute from the market by the Jute Corporation of India and steps taken by the Government in regard thereto."

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) There was an abnormal increase in prices of raw jute during 1995-96 primarily because of a short crop and also smaller exportable surplus in Bangladesh. The consequent mis-match between supply and demand and increase in prices put a severe strain on the working of most jute mills. During July, 1996, the number of closed mills was 17, affecting 56,987 employees. This year there is likely to be a bumper crop. The

prices of jute have already fallen to a significantly lower level. As on 2.9.96 the figure of closed jute mills has come down to 9 effecting 22,870 workers. It is likely to go down further.

The Government has been taking measures aimed at improving the production and quality of raw jute, encouraging modernisation of jute mills, as also development of value added diversified jute products, including in the decentralised sector, to promote new uses of the fibre.

As for as the Jute Corporation of India is concerned, it has been engaged primarily in carrying out price support operations for raw jute. During the last three years prices of raw jute have been ruling much above the Minimum Support Price (MSP) and therefore JCI was not required to conduct procurement operations. During the 1996-97 season, if the prices fall to the level of MSP, we will take action to ensure that raw jute is procured at support prices.

Meanwhile, JCI has been released with some funds to meet its liability towards salaries and wages. This year, so far Rs. 5.45 crore has been released. Besides, National Jute Manufactures Corporation (NJMC) have repaid an amount of Rs. 5 crore to JCI towards part settlement of outstanding dues out of which an amount of Rs. 1.15 crore is to be utilised by JCI towards payment of salary and wages. JCI has been directed to use the remaining Rs. 3.85 crore for MSP operations. If prices fall to the level of minimum support price.

SHRI P.R. DASMUNSI: Sir, the jute scenario is not confined to West Bengal alone but to Assam, Tripura and also a part of Bihar. They are also facing the agony of the jute growers, jute mill workers and also other activities relating to jute industries. Unfortunately, the hon. Minister, just now in his statement, has linked it with the latest development. It does not reflect the actual fact that had led to a year to year crisis of the jute growers, and the jute mill-owners which, ultimately, resulted to a colossal waste of national economy and sufferings of the jute growers. The jute growers are precisely the poorest farmers of Eastern India belonging to Assam, Bengal and Tripura and Sir, you may recall that the jute workers are from your State Bihar and Uttar Pradesh.

The rural people of North India come mostly in the jute mills as workers since the days of our national struggle. If the money order does not go to their villages in Bihar and Uttar Pradesh, the rural economy of those States also get crashed and law and order problem starts. So it is not Bengal alone which suffers but the surrounding inter-parts of Eastern India including Bihar and Uttar Pradesh and their villages suffer most in the crisis of jute mills in Bengal.

I have been watching very carefully and I am sorry to say that it is possibly a dangerous and sinister move by a particular lobby or a group which has been very active to work in a manner that entirely the jute is crushed and entirely

the jute prospects are destroyed. Why I say so? There are reasons behind it.

While the hon. Minister is here and the hon. Minister of Finance is also here, they may kindly bear me out that while excise concessions are given to a number of industries, number of cash crop industries, number of other varieties like textiles, powerloom, cotton, etc. similar opportunities and facilities are never been given to the jute industry, not only for Bengal but to the jute industry as such. With the result the industry could not carry the backlog load and burden any more.

Even in the recent Budget Speech, I have carefully observed that the hon. Minister of Finance casually or very genuinely tried to avoid jute industry as a whole and their plight of suffering. I do not know why.

Now, Sir, while I talk of this thing, I come back to a situation when Government's own institution was crying. In 1971, it was no less than Shrimati Indira Gandhi, who was then the Prime Minister, who on the very floor of this House declared that 'my heart goes to the workers who grow paddy and jute'. Jute is our most traditional item since the days of our civilisation and especially in the days of our freedom struggle. It was jute which stood by our national struggle also.

Not only Indira, out of that feeling, immediately formed the Jute Corporation of India with a view to protect the growers for immediate support price operation but also Shri Lalit Narayan Mishra, the then hon. Minister on this floor of the House declared that the aim of Jute Corporation of India would be immediately to go for the monopoly procurement, to maintain a buffer stock and to protect not only the jute industry but to stabilise the market from the hands of the speculators who are looting the jute economy in Calcutta streets and also the surrounding region. Nothing, in that regard, had happened till this date.

Jute Corporation of India was kept in a dormant state and Jute Corporation's only duty, at one point of time, was to support the raw jute supply to NJMC, the public sector unit of Government of India's Textile Ministry where large number of jute mills are there. The largest public sector jute mill is in my constituency, that is the National Jute Mill, which was nationalised again by Indira in 1971 from Goenka's claim.

The Jute Corporation of India used to supply raw jute to NJMC. The plea was that since NJMC, I mean the Ministry of Textiles, cannot pay back the money in time, so the Jute Corporation of India was asked not to give them raw jute and that they would buy it from private market. Look at the game, the Jute Corporation of India could not get back their money from the National Jute Mills Corporation of India, means the Ministry of Textile! On that plea they stopped Jute Corporation and since then have been giving their money to NJMC to buy the same jute from the private market, playing in the hands

of speculators and because of which rampant corruption is going on.

Sir I am telling this to you because it is in my constituency. I cannot explain the magnitude of corruption to you. If you take the details from Chairman to five top executives of the past five managements and if you institute an inquiry the whole truth will be revealed as to what happened in this sector. It is a terrible thing. In the names of workers they are wasting the money. The workers are not wasting the money. Money is going somewhere else. Therefore, even the NJMC is becoming a sick unit because of the gross mismanagement there.

I challenge on the floor of the House that you take the price at which the private jute mill owners buy the jute from the market this year and even your national jute mill buys the jute and that price is not similar with that. This kind of speculation is going on. Several reports have been published. Nobody has cared to look into this aspect.

Then come the private jute mill owners. In most cases, they do not pay Provident Fund. That culture has started. The sick jute mills will be converted ultimately into closed jute mills. Then, one fine morning, the promoters will come, grab the land and construct the building. That is how, 59 jute mills in West Bengal are facing a disastrous situation.

Mr. Minister, what about your policy implementation programme about the Reservation Order of the jute packaging. The Jute Packaging Reservation Order was accepted by the Supreme Court and the Supreme Court made it categorical that this Order was valid and there was nothing wrong in the Constitution when the cement lobby wanted to question it. In spite of that, the Jute Reservation Order is not being maintained. Did you ever institute any mechanism to see as to why they are having this violation every year? There is a flagrant violation of the Jute Reservation Packaging Order by the cement lobby, by the fertiliser lobby and so many other sources just to please the synthetic lobby. I am giving the pictures one after the other. I will not take much time of the House.

The picture is very horrible. In the Jute Reservation Order the cement lobby made several arguments as to how to violate the Packaging Order and thereby crush the jute mills of West Bengal. The Textile Ministry sat idle. In the first few years the Textile Ministry took the plea that since the matter was in the court, they could not intervene as there was a temporary stay. When the Supreme Court finalised the issue, then also strict mechanism has not been adhered to by these industries. Therefore, this question has started.

The minimum support price operation of the JCI this year is Rs. 510 per quintal while the West Bengal Government has calculated the cost per quintal as more than Rs. 745. How will these jute growers be protected?

When the cotton issue comes in this House, when the sugarcane issue comes in the House, the whole House shouts. I share the concern of the House because they are also the farmers. When the *Tikaits* shout from the *maidan* or the Members shout from the House, the Government responds. I fully salute the Government and the Members because they are also the farmers. But why do you not respond in a similar tone to the jute growers? Is it because they have no lobby and they have no other supporting units? Why do you kill them? When the cost of production is Rs. 745, you are giving the operative price of Rs. 510 only. This is very unfortunate. This is a deliberate attempt and you are saying, 'you do or die'. We do not like this. This is not a fair treatment. This should be reviewed.

I would only like to point out the following four points. First is about the Jute Package Reservation Order dilution. How do you want to rectify it? Kindly find out a solution to this and answer. Second is diversification programme of the jute products on the UNDP aid projects. I would like to know how far progress has been made at least for the jute textile units. What about the Order of the Government through DGS&D and the jute bag quantum. Which had gone down in a big number, in a big quantity, due to which the jute mills are also facing sickness? What about your programme for fighting the corruption in the NJMC management? What are your programme to see why the Eighth Five Year Plan document could not make any progress in the jute sector as you envisaged in the beginning?

Your kindly compare all these matters with the statement of Shri Ram Niwas Mirdha who declared the Jute Packaging Programme. I do not like to read his statement because it will take much time. Shri Ram Niwas Mirdha has said at that time as to what for the Reservation Order was made. That has been violated by your own Ministry. I only request the hon. Minister whether it is possible for you, apart from extending your helping hand, to form either a Committee of the Parliament or a Committee of the Textile Ministry involving the Finance Ministry, Agriculture Ministry, the West Bengal Government and the concerned people, whom you like.

A committee may be formed with a time bound programme to inquire into the revival package of the closed jute mills, if finance permits and if the feasibility is there; to inquire into and further stabilise the functioning of the Jute Corporation of India for the monopoly procurement drive; to inquire into the mismanagement, corruption of N.J.M.C.; to suggest measures for its growth and stability in future; to consider the diversified production of jute goods and its funds for technical assistance in this regard for the geo-textile programme in West Bengal State; and to establish a regular mechanism to monitor jute package reservation order especially in cement and fertiliser sector.

With these few words, I would like the hon. Minister to answer my questions and to take serious steps so as to restore the jute economy of West Bengal.

SHRI SUDHIR GIRI (Contai): Sir, jute is produced largely in Assam, West Bengal and Tripura. (*Interruptions*). Most probably in Bihar some production is there but no large quantity is produced. In the last three years, the production was not abandoned and the Government says that because of the short supply of jute by Bangladesh, the prices of jute increased and that is why the jute mill owners had to purchase less quantity from the jute growers. So, the prices were high and the Jute Corporation of India was not called upon to play their part in this field because the minimum support price was high enough.

The problem is there, was there and will also be there. But how will the Government tackle this problem? The problem relates to closure of jute mills; the problem relates to not giving minimum support price to the jute growers, but the problem relates to jute export. But if the export and the import markets are not expanded suitably, then the problems of jute and the jute goods will remain there forever.

I, therefore, would like to know from the hon. Minister whether the Government will take steps to provide credit at easy terms to the jute mill owners because they are traders and they are not practically the entrepreneurs. They earn money and whenever they get the money, they transfer their capital for investment in other fields, elsewhere in India. That is to be looked into. If the cooperatives are formed in the jute mills themselves, then they can easily be provided with credit on easy terms. Then, they can manage their own affairs. This is my personal view.

As far as exports are concerned, the hon. Finance Minister is here; if some concessions such as duties are exempted, then the mill owners will be in a position to supply more to the export market.

We know that when we try to expand our export market, stiff competition will have to be faced from Bangladesh. Bangladesh mill owners have modernised their mills.

But our mills are not modernised at all. Our jute mills require enough modern equipment. For want of this modern equipment our jute mill owners are suffering. So, I want to know from the hon. Minister whether steps will be taken to modernise the Indian jute mills or not. If we can have modern jute mills, then we shall be in a position to compete with Bangladesh in the export market.

The Indian jute mills do not possess any research and development wing. Our technologists are there. Very many scientists are there. They can also invent modern technology for the production of jute goods so that the jute goods can compete in the external market suitably. I want to know from the hon. Minister whether he will be in a position to supply and provide enough money for the development of this research and development.

Artificial bags or bags required for purposes of the

consumers are being made of other goods and not jute goods. If the Government can save itself from the temptation of the foreign suppliers for these artificial things, then our jute mills will be saved.

The minimum support price has to be increased. The Government says that because of the fact that this year abundant jute is growing, the minimum price will fall.

MR. CHAIRMAN: Please ask the question and conclude.

SHRI SUDHIR GIRI: I am coming to the question. I have been putting some questions and I shall also put some more questions.

The Government says that because of the large production of jute there will be abundant availability of jute to the mill owners and so the J.C.I. will not be called in to play their part in this picture. But this is not true because the minimum support price has to be increased because of the fact that there is price rise for all goods. Heavy inflationary pressure is there. The prices of all other goods are increased. Why not the minimum support price of jute be increased in the absence of which the growers are suffering? I think the amount of Rs. 3.85 crore which is at the disposal of the J.C.I. should be increased because this is a very negligible amount and the jute growers require more. We have to provide them more money.

Sir, I want to know one more thing from the hon. Minister. I want to know whether they can save the jute industry from the hands of the traders or not. They are looting the money. They are not investing money in the jute mills. They are investing their profits in other areas in the country.

I also want to know from the hon. Minister whether the Government would be in a position to get the jute industry free from the traders and whether steps will be taken to commercialise it in such a way that jute owners, jute growers and jute mill workers are in a position to have the benefits.

SHRI HANNAN MOLLAH (Uluberia). Mr. Chairman, Sir, already lot of things have been brought to the notice of the House that 40 lakh jute growers and 2.5 lakh jute workers, as Shri Dasmuni earlier mentioned, are involved in this industry. This is the oldest industry. This is the mother of the Indian industry. Now, all the children have joined hands to kill their mother. Jute produced the first initial capital and that flight of capital took place in other industries and now not a single pie has been reinvested in jute industry. The criminals are owning the big jute mill industry.

Secondly, Sir, we all know how the loot took place. There are a large number of jute mills in my own constituency. Out of the 19 closed mills, Kanoria and Bawana jute mills are also closed down. What happened, Sir, is that the jute owners have a jute mill and a raw jute company. They purchased raw jute for Rs. 600 per quintal from the market and put it in their

godown. Then, they changed the godown to the jute mill godown and put it for Rs. 1,800 per quintal. They earned Rs. 800 to Rs. 900 per quintal only by changing the godown. Before the production of jute starts, major part of money has already been looted. This is the procedure going through the nose of the Government, which everybody knows, for the last 15 years, but nobody will touch them because jute barons are so powerful and by and large they are black marketeers. So, these people are running the jute industry, looting the country, peasantry and jute workers. So, these things should be inquired into. Only by changing godowns, they are looting money in this way.

Sir, the argument of shortage is also not correct. There are 72 jute mills which need 80 lakh bales of jute per year and the production this year will be of 90 lakh bales. Since they want to create the sense of scarcity for the purpose of black marketing only. This issue should also be looked into by the hon. Minister.

Sir, they compare the Jute Corporation of India and the National Cotton Corporation. The National Cotton Corporation purchases cotton and gets the entire money to purchase cotton from the growers. If the production of cotton is less, then it imports cotton and supplies to the mills. But in the case of jute, the Government does not do that. Shri Dasmunsi has mentioned, how they are dealing with JCI. It started functioning with Rs. 5 crore. Now, what is the situation? The MGMC mill dues are Rs. 125 crore to JCI, then Rs. 61 crore subsidy arrears are not yet paid. Then, every year they need Rs. 18 crore for payment to their workers. They are now getting Rs. 5 or 6 crore. In that way, hundreds of crore of rupees are pending and not being paid to JCI and we are blaming the JCI. Hence, there is total discrimination if you compare National Cotton Corporation and Jute Corporation of India. This is also a calculated effort to create problems for this oldest industry of the Eastern region of this country. So, I demand that the JCI should get all its dues so that it should also be able to participate in industrial production.

Sir, regarding the minimum price, I think the Minister of Agriculture should also have been here because his role is to fix the minimum price. As Shri Dasmunsi has said, all other sectors of the agriculture have a very strong lobby in the ground, in the Government, in the brokers and everywhere. So, they can get their dues. But the Eastern region itself is very weak in lobbying.

The lobbying culture is also not there. They do not believe in lobbying because there is some criminality in it. We have that weakness in this region. We cannot have that lobby and so we are being deprived of a good price. The price should be increased. The expenditure per quintal is Rs. 750/- and if you pay Rs. 510/- per quintal, then it is a discrimination and it cannot save the jute growers.

As far as modernisation is concerned, a package of Rs. 150 crore was announced three years back. How much

money has been withdrawn? How many mills have taken that money and how many mills have been modernised? We do not know whether they have siphoned off that money to other areas. So, what is the status of modernisation? We want to know the position about all these things regarding modernisation.

Then, synthetics is a weak competitor against jute. But now even the environmentalists are coming in favour of it. The world market of jute is growing and the internal market is also growing. The other point is, the Government itself is not implementing the Jute Packaging Material Act. We want to know whether the Government is going to implement the Jute Packaging Material Act in right earnest. If the Government itself violates its own Rules and Act, how can we blame others?

Finally, I come to the question of recommendation of the West Bengal Government.

MR. CHAIRMAN: You are putting your last question. That is why you are asking something 'finally'. Please leave something for your fellow Members.

SHRI HANNAN MOLLAH: Yes, Sir. This is my last question. Earlier, there was a recommendation when Shri Ashok Mitra was the Finance Minister in West Bengal. He made a proposal to involve panchayats and give Rs. 200 crore to the cooperative panchayats and the Jute Corporation of India so that they can have a monopoly purchase of raw jute and supply to NJMC and other jute mills, as a result of which the *phatka* can be stopped in the raw jute market. So, if that can be stopped, we will be able to save 40 lakh jute growers and two-and-a-half lakh jute mill workers. I hope the hon. Minister will answer my questions.

SHRI AJAY CHAKRABORTY (Basirhat): Mr. Chairman, Sir, my learned colleagues are very much agitated and so, I need not get agitated much on this matter. I only call the attention of the hon. Minister to the plight of raw jute growers and the workers of jute industry.

As you are aware, jute is not only grown in West Bengal, but it is also grown in Assam, Tripura and parts of Orissa, Bihar and Andhra Pradesh. Raw jute is grown only by marginal jute growers and poor jute growers. After the raw jute is harvested, the Jute Corporation is practically taking no steps and they are reluctant to purchase raw jute at a remunerative price from jute growers. There are so many offices of the Jute Corporation of India to purchase raw jute from the jute growers. But they are sitting idle and no financial assistance is given to them to purchase raw jute directly from the growers.

So, the raw jute growers are being exploited by the middlemen, speculators and practically the jute growers are deprived of remunerative prices, because the Jute Corporation of India is not taking any steps and it is very reluctant to purchase raw jute from jute growers. In this context, may I know from the hon. Minister whether the Government of India

have taken it seriously to purchase raw jute directly from jute growers?

15.00 hrs.

Is the Government of India thinking to re-constitute a committee consisting of the representatives from the raw jute growers, i.e., *kisans*' organisations, trade unions and important personalities of the political parties from the raw jute growing States?

Sir, the condition of the workers of the jute industry is pathetic. My learned colleagues have already stated the condition of the jute industry. A large number of jute industries are closed and only a few jute industries are working. But the workers who are working there, are not getting their remuneration. They are also not getting any financial assistance such as provident fund, etc. A large number of people from Eastern and Northern regions are coming to Calcutta and the suburbs of Calcutta for working in the jute industries. Due to the closure of jute industries, the condition of these workers is very pathetic and some of the workers have even committed suicide due to unbearable starvation and unbearable poverty. This is the position of the jute industry workers. We know that our neighbouring country, Bangladesh, has already taken some measures for modernisation of the jute mills. But I do not know whether our Government has taken any steps for modernisation of jute mills. May I know from the hon. Minister whether the Government of India has taken any decision to modernise jute mills? If so, how many jute mills have been modernised in the jute industry area? May I also know from the Government of India whether any steps have been taken against the jute industrialists who are not paying provident fund and other remuneration to the poor workers? What legal steps have been taken by the Government of India in this regard?

Sir, I think the other hon. Members have already covered many points, so I only want to hear the reply of the hon. Minister.

SHRI TARIT BARAN TOPDAR (Barrackpore): Sir, I shall not take much time although I had been elected by the jute workers and the jute growers. It is the biggest jute industrial belt and most of the jute mills are situated in my constituency and my district.

15.03 hrs.

[PROF. RITA VERMA in the Chair]

[Translation]

First of all, I want to submit that we have to change the legacy left by the Congress Government. If the same mental outlook continues, even the Common Minimum Programme will not enable us to proceed in the right direction.

[English]

The Common Minimum Programme must have come about in the background of certain ideological and philosophical changes in the outlook. The erstwhile Government and during 1994, the jute industry was declared a sunset industry, a dying industry and the legacy has been continuing. Nobody was paying heed to any cry or any call or any SOS. We have got BIFR — for funeral references as I have understood — dealing with so many industrial conciliations and industrial matters. Most of the jute industries are registered with the BIFR.

[Translation]

We have to decide whether we should lose our self-reliance for the sake of growth and development.

[English]

Should we say good-bye to our self-reliance? Are we in a position to import the packaging material? Now, actually, we are doing that. We are importing the packaging material while we should have been the biggest exporter of the packaging material in the international market.

The indigenous jute industry is one hundred per cent capable of earning foreign currency, the rupee would have been one hundred per cent exchanged in terms of dollars. This jute industry has been declared as a sunset industry, but in this regime of trade war, I consider this as a sunrise industry. In Europe and America, we can dominate in the packaging materials market. But who will give the lead?

MR. CHAIRMAN: The Member may please ask the question.

SHRI TARIT BARAN TOPDAR: The Government has to give the lead. It is not unusual to say that the Government has a duty to manufacture gunny bags. There is a special point which is that our industrialists in the jute sector have fled away; they have taken away the capital investment elsewhere and the worn-out industry has been left out. I would like to know whether the Government is coming out with a comprehensive proposal or programme or scheme to rehabilitate the jute industry as well as to participate in a big way in the international market in the form of exporting different types of bags, which are eco-friendly, as required by the foreigners. My moot question is whether the Government has got a comprehensive plan like that or it is just simply going to say that the industry is sick and the extent of sickness has to be considered by the BIFR. Whenever the BIFR comes out with a package, the Government delays it. I have got ample examples but I am not going into them now. I would like to know whether we will be depending on the recommendations of BIFR or we will have a policy for the country as a whole in order to participate in the export market and dominate the packaging materials market in the world. We can be

competitive and we can do very well. As a temporary measure, I would like to know whether the Government will readily implement the Compulsory Jute Packaging Order. The Supreme Court has upheld the constitutional validity of the Compulsory Jute Packaging Order. According to this order, 50 per cent of the cement that has been manufactured has to be marketed in jute bags, cent per cent urea has to be marketed in jute laminated bags. Instead of that, HDPE and PAP bags are being utilised. Once again my question is: Should the Indians not dominate the packaging material market in the world or should we go on importing the packaging material and use the imported packaging material? I would like to know whether we will be using the imported packaging material. This is the basic question that has to be answered. If growth and development is void of self-reliance, then, the answer will be on one side. If growth and development has to be associated with self-reliance, then, the answer will be on the other side.

Now, I come to the last point about JCI. Much has been said about it. I will read just certain portions of the letter written by the hon. Minister to the hon. Chief Minister Shri Jyoti Basu. Here, a few questions come. One, in the second para of the letter, it has been described that the Jute Corporation of India was not required to undertake any price support operations because price is stable for this year. The question that arises is if the JCI is only meant for price support operations and only dedicated for that purpose, then, the lamentation should not be there on the part of the Government that they are spending idle wages. On the one hand, the Minister says that it is only for price support operations but on the other hand, he says that 2400 people are not getting their jobs; are not earning their wages against work. If sustained work is not given, this paradox will arise. How can you avoid this paradox if you contemplate only a support price operation? Our demand, for long, has been the compulsory purchase of jute by the JCI or it should be monitored by the JCI to be associated with the Panchayats or the Cooperatives. This has been our proposal for so many decades. But it was unheeded.

MR. CHAIRMAN: You are not to make a speech. Just ask questions.

SHRI TARIT BARAN TOPDAR: I just take one minute. I am asking another question. The erstwhile Government suggested commercial operations to be carried out by the JCI. My question is whether the U.F. Government is ready to agree to that proposal or not.

MR. CHAIRMAN: Enough questions have been asked.

SHRI TARIT BARAN TOPDAR: A very vital question was raised as regards repayment of dues by the JCI. The JCI owes a huge sum to NJMC. The point is that the NJMC is a Government Undertaking and the JCI is also a Government

Undertaking. They are the two creatures of the Government. One is saying that it is not paying and the other one is saying that it is not doing the work. This is the position. In this case, the Minister has by-passed the issue strangely by stating the blames and counterblames of it. My question is that when both the wings are in the same Ministry, whether the Minister is ready to set aside the issue once and for all.

My last point is this.

MR. CHAIRMAN (PROF. RITA VERMA): You have asked enough questions. Now let the Minister answer. You have to ask only one clarificatory question.

SHRI TARIT BARAN TOPDAR: This is my last point.

MR. CHAIRMAN: The time is very short. You have taken enough time. You have to ask one clarificatory question and not too many questions.

SHRI TARIT BARAN TOPDAR: This is the last question, I am asking.

MR. CHAIRMAN: You will get only half a minute for this question.

SHRI TARIT BARAN TOPDAR: I would like to know whether, in course of suggesting about the cooperatives in his letter to the Chief Ministers, the Government is planning through the JCI to associate the panchayats and cooperatives for total and compulsory procurement of jute.

SHRI R.L. JALAPPA: Madam Chairman, I have heard with rapt attention all the senior Members who have given many suggestions and also have enlightened me about the drawbacks that are prevailing in the NJMC.

Before I explain this elaborately, I want to place a few salient features before this august House. The NJMC was taken over by the Government about eight to ten years ago.

SHRI TARIT BARAN TOPDAR: Fifteen years ago.

SHRI R.L. JALAPPA: Fifteen years ago. Very good. The paid up share capital of the NJMC was Rs. 54.80 crore. The loss is about Rs. 751.22 crore. The Government hitherto have paid Rs. 621 crore to this NJMC. We have been paying Rs. 80 crore every year. I do not know how long the Government will be forced to pay this Rs. 80 crore for these six mills. They are not idle mills. These mills are in a running condition. Unfortunately, the manpower is too much. Let us see, in future, whether we would be able to reduce it at least by one-third.

SHRI TARIT BARAN TOPDAR: That is not correct.

SHRI R.L. JALAPPA: Whatever I have heard, I am telling you. There was a committee constituted for this purpose which

suggested for modernisation at a cost of Rs. 253 crore. I am not suggesting these things. There is a plan of Rs. 253 crore for modernisation of these six mills. They have prepared the plan but they have not mentioned as to wherefrom should we get this money for modernisation.

Secondly, I come to this Jute Corporation of India (JCI). One of the main charters in the Jute Corporation of India is to get into the market whenever there is a price crash. Fortunately for the farmers, the prices have not crashed for the last four, five years. I would give some figures to show that these prices are much more than the support price. Therefore, the JCI have no business to interfere in the market. They did not purchase from the market. My friends, are suggesting me that it should work on the commercial basis. I do not understand why the Government should take up these things when it is the responsibility of the Government of the State to strengthen the cooperatives and the panchayats to get into the market and purchase the stores for itself. Now the money is available with the NABARD. They can as well force the Government of West Bengal to strengthen these cooperatives. I am told that not even one-fourth of the cooperatives are strong enough to get into operation. Hundreds of cooperatives which were strong about four years ago are unfortunately, weakened now. And, thereby, they are not getting into the market.

Madam, the very purpose of formation of the JCI is to help the farmers, whenever the prices crash. But when the prices are higher than the minimum support price then there is no question of entering into the market by the JCI.

What is the story of the JCI? They have got 2450 employees. Yearly, the Government is spending approximately Rs. 18 crore as wages and for the last four or five years they have not purchased anything there. They are keeping 220 godowns empty.

SHRI TARIT BARAN TOPDAR: Whatever questions we have asked, that should be answered.

MR. CHAIRMAN: Please let him reply, first. Please sit down.

..... (Interruptions)

SHRI R.L. JALAPPA: Please bear with me. I am placing the facts... (Interruptions)

SHRI TARIT BARAN TOPDAR: Is the JCI of its own? The Government has appointed... (Interruptions)

MR. CHAIRMAN: Please let him reply

SHRI R.L. JALAPPA: I am not blaming anybody. I am not holding anybody responsible. I am only placing the facts

before you, Madam. Let him not get agitated over this. After all, we are all responsible people.

So many people were telling, it is a big portfolio and all that but when I entered into it, I am thinking as to why a Minister has to reply for this... (Interruptions)

My budget is Rs. 860 crore, I think. I am spending nearly Rs. 300 crore over the NTC and Rs. 100 crore over the JCI and NJMC. So, Rs. 400 crore is gone and I am left with only Rs. 460 crore. Out of this amount, Rs. 70 crore is given to the Central Silk Board. So, I am left with only Rs. 390 crore. What I must do with this amount? The position is that after seven or eight years there will be liberalization where there will be no protection for any industry either cotton or silk or jute or wool, and by that time the handloom weavers whose strength is about one and a half crore, must try to earn their living. How are we going to prepare them to face this eventuality after eight years with this meagre Rs. 390 crore, out of which Rs. 120 crore will go towards establishment charges? I am left with only Rs. 270 crore or Rs. 250 crore. Does it require a Minister, Cabinet to manage it... (Interruptions)...

Last year, of course, in the month of July and August, the prices were very high because there was no jute with the growers. It was with the dealers. So, it was not available and prices went high. This time, fortunately, the crops are good, we are expecting about 30 lakh balls more into the market whereby there may be some fall in prices.

Yes, we are here to protect the interests of the farmers. I assure, through you, Madam, if unfortunately prices were to crash, we are going to get into the market and purchase jute in a big way. And, my friend Shri Chidambaram has also assured me that in case we go slow, he would be coming to our rescue.

Shri P.R. Dasmunsi has told me that there is a lot of corruption in the NJMC.

SHRI RAM NAIK (Mumbai-North) : Where it is not? It is everywhere... (Interruptions)

SHRI R.L. JALAPPA : I cannot take excuse of that.

Madam, Shri Dasmunsi had advised me to form a Committee. I assure him that I will certainly do so. Not only there, I am also thinking of forming a Committee for the NTC operations also.

It was disgusting or disheartening to find that NTC, after having been taken over, has been incurring loss everyday and every hour. Their loss is probably to the tune of Rs. 3450 crore. I do not know how to make up this loss. They have prepared a plan for Rs. 2005 crore. Only God knows how the money is to be mobilised. It has to be by selling land.

SHRI RAM NAIK : It means that the Government has become completely helpless in so far as the rehabilitation of textile workers is concerned. It is a serious matter. How can God help you? The Finance Minister can help you. But he is smiling mischievously. So, you must help him and ensure that the textile workers and the jute workers get their due share. That is what the Government should do.

SHRI P.R. DASMUNSI : BJP also is saying that God cannot help!

SHRI TARIT BARAN TOPDAR : The Minister has to answer the questions put to him.

MR. CHAIRMAN : You have already asked many questions. Now please sit down, let the Minister answer.

SHRI R.L. JALAPPA : If BJP has lost faith in the God, if they do not believe in Him, what can I do now?

For the last one week the price of jute has been going high. On 27.8.1996 in Assam and Meghalaya it was Rs. 730; on 3.9.1996 it was Rs. 790. In North Bengal it was Rs. 870; now it is Rs. 920. In South Bengal it was Rs. 800; now it is Rs. 850.

As far as research is concerned, we have two Institutions - one is IJIRA and another is IJT. We are spending nearly four to five crores of rupees for research work. I wanted to go there personally to find out what research they are doing. Unfortunately I could not go. I am thinking of going there in the last week of this month and find out what is going on.

My friends were asking me to give some support to exporters. We are already supporting them by way of collecting cess from the mill owners. We are subsidising these exporters. Exports also have gone up considerably during the last three years. In 1993-94 it was of the order of Rs. 380 crore; in 1994-95 it went up to Rs. 487 crore and in 1995-96 it touched Rs. 546 crore. That means, exports are going high. We are at it.

About the enforcement of Jute Control Order many representations have been received. Some say that bagging cement in gunny bags gives room for spillage. Nearly one to one-and-a-half kilogram of cement is being spilled out. So, the cement manufacturers do not want cement to be bagged in gunny bags. When the jute manufacturers met me, I asked them whether it was possible to produce bags with some lamination inside the bags, so that the spillage was not there. They have said that it is possible. I will find out whether this can be enforced to see that spillage from the gunny bags is prevented.

* Regarding other things, food items are being bagged in gunny bags; urea is being bagged in gunny bags to the extent of 60 to 70 per cent. Other things are also being bagged in jute bags.

I think I have answered almost all the queries. I have already said that I am thinking of constituting a committee to go into the working of this institution.

I am going to do this. Also, for NTC, I am going to constitute an independent committee to go through the...
(Interruptions)

MR. CHAIRMAN : No more questions please.

... (Interruptions)

SHRI R.L. JALAPPA : That will be looked into. Textiles also will be looked into. I think that I have answered all the questions.

MR. CHAIRMAN : I now ask the Minister of Finance to reply to the discussion on the General Budget.

... (Interruptions)

SHRI RAM NAIK : Madam, the time now is 3.30 p.m. It is time for Private Members' Business.

MR. CHAIRMAN : I agree with you but if the House permits and if Shri Subbarami Reddy permits,...

(Interruptions)

DR. T. SUBBARAMI REDDY (Vishakapatnam) : I have no objection. Let us have the reply of the Minister of Finance. Then, we can start... (Interruptions)

SHRI RAM NAIK : The Private Members' Business cannot come later.

MR. CHAIRMAN : Let it come later.

SHRI RAM NAIK : It cannot come later.

[Translation]

SHRI BHAGWAN SHANKAR RAWAT (Agra) : Please take up the Private Members' Bill first. Do not curtail our rights.

[English]

DR. T. SUBBARAMI REDDY : I have moved the bill and I have no objection. (Interruptions)

PROF. P.J. KURIEN (Mavelikara) : You cannot change the time. That is our right. (Interruptions)

[Translation]

MR. CHAIRMAN : What is your objection to it?

[English]

SHRI RAM NAIK : It makes a lot of difference. He can

... speak after that. Why should we be so much worried about it? It is everybody's right.

[*Translation*]

DR. T. SUBBARAMI REDDY : Half a minute makes no difference

SHRI BHAGWAN SHANKAR RAWAT : This is a constitutional right of the Members, it should not be curtailed. We can sit even after 6.00 P.M.

[*English*]

SHRI RAM NAIK : Private Members' rights are never curtailed.

SHRI SONTOSH MOHAN DEV (Silchar) : All that we want is that the reply to the discussion on the Genral Budget should be completed. Regarding adjustment of time, you can take the views of the Members and adjust it. We have requested the Speaker that there should at least be one Ministry's Demands for Grants debated. It can be done on Monday. We have decided in the all party meeting that the Finance Bill would be discussed for two days, where we can cover all the other subjects also

15.33 hrs.

[*MR. SPEAKER in the Chair*]

I would not mind if Members belonging to my party want to say something on these Resolutions. Some time can be given for that and after that the reply of the Minister of Finance must be completed today. We are ready even to sit late in the night and those who are willing to go to Mumbai may go. I hope Vajpayeeji would be here... (*Interruptions*)

MR. SPEAKER : Alternatively, what we can do is we can take up introduction since it will take only five or six minutes. Vajpayeeji has got some work to do.

SHRI SONTOSH MOHAN DEV : Once it is started, it cannot be cut short. So, I want that after introduction is through, the reply should come. The whole business of the House is in a very bad position.

MR. SPEAKER : I do not think that the Minister of Finance would take much time.

SHRI PR. DASMUNSI : Let him reply.

SHRI RAM NAIK : He can do that only after Private Members' Business is over.

[*Translation*]

SHRI BHAGWAN SHANKAR RAWAT : We are not trying to curtail the rights or duties of the Finance Minister. We get very little time for the Private Members' Bills. Please take it first.

[*English*]

SHRI RAM NAIK : At six o'clock, after the Private Members' Business is over, if the Minister of Finance wants to reply, he can reply. But let there be no encroachment upon the time allotted for Private Members' Business. Already, last week, we have lost the time for Private Members' Business and we could not accommodate it later. Let him reply at six o'clock. It is not the practice, it is not the custom and it is not the convention to do it like this. It is never done like that. (*Interruptions*)

SHRI RAM NAIK : He can reply after 6 o'clock. (*Interruptions*)

MR. SPEAKER : The Member concerned has no objection to the Minister's reply.

... (*Interruptions*)

[*Translation*]

PROF. RASA SINGH RAWAT (Ajmer) : Mr. Speaker, those who want to speak should get an opportunity. (*Interruptions*) The Private Members' Business is given only two and a half hours. If you permit this, it will become a convention.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA) : Mr. Speaker, Sir, it is not the first time that it has happened. On earlier occasions also, the time was extended by one hour. If the time is extended by one hour there will be no curtailment in two and a half hours allotted to Private Members only, the Private Members will start at 4.30 p.m. instead of 3.30 p.m.

[*English*]

SHRI RAM NAIK : Many hon. Members have to introduce their Bills. You can complete the business by six o'clock and then the hon. Minister can reply. There is no difficulty. This is what we are suggesting.

SHRI SRIKANTA JENA : The only point is that suppose we start this business now, even introduction of Bills would go up to 4.30 p.m.

SHRI RAM NAIK : No, it would take only ten or fifteen minutes to introduce the Bills.

SHRI SRIKANTA JENA : Then, the Minister can start giving his reply after ten or fifteen minutes. After that we can take up Private Members' Business.

SHRI RAM NAIK : First, we can take up introduction of Bills. Then, the hon. Minister can reply.

MR. SPEAKER : That is what I was suggesting.

[Translation]

That was my suggestion, but you said it should not be done.

SHRI RAM NAIK : If you want to do it, you may.

[English]

MR. SPEAKER : The House can decide anything. The House is supreme. Now, we will take up Private Members' Business - Introduction of Bills.

15.36 hrs.

UNIFORM EDUCATION BILL

[English]

DR. RAMESH CHAND TOMAR (Hapur) : I beg to move for leave to introduce a Bill to provide for uniform education throughout the country.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for uniform education throughout the country."

The motion was adopted.

DR. RAMESH CHAND TOMAR : I introduce the Bill

15.36½ hrs.

[English]

DECLARATION OF ASSETS BY MINISTERS BILL

DR. RAMESH CHAND TOMAR (Hapur) : I beg to move for leave to introduce a Bill to provide for declaration and public scrutiny of assets of Ministers.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for declaration and public scrutiny of assets of Ministers."

The motion was adopted.

DR. RAMESH CHAND TOMAR : I introduce the Bill.

15.37 hrs.

[English]

HOUSE OF THE PEOPLE (ADMINISTRATION) BILL

SHRI G.M. BANATWALLA (Ponnani) : I beg to move for leave to introduce a Bill to provide for the appointment of a Commission to oversee the administration of the secretarial staff of the House of the People and for matters connected therewith.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the appointment of a Commission to oversee the administration of the secretarial staff of the House of the People and for matters connected therewith."

The motion was adopted.

SHRI G.M. BANATWALLA : I introduce the Bill.

15.37½ hrs.

[English]

CONSTITUTION (AMENDMENT) BILL (Amendment of article 80, etc.)

SHRI ATAL BIHARI VAJPAYEE (Lucknow) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI ATAL BIHARI VAJPAYEE : I introduce the Bill.

15.38 hrs.

[English]

CONSTITUTION (AMENDMENT) BILL (Amendment of Tenth Schedule)

SHRI RAMESH CHENNITHALA (Kottayam) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI RAMESH CHENNITHALA : I introduce the Bill.

15.38½ hrs.

[English]

**CONSTITUTION (AMENDMENT) BILL
(Amendment of article 19)**

SHRI RAMESH CHENNITHALA (Kottayam) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI RAMESH CHENNITHALA : I introduce the Bill.

15.39 hrs.

[English]

**PROTECTION OF HUMAN RIGHTS
(AMENDMENT) BILL
(Amendment of section 2, etc.)**

SHRI RAMESH CHENNITHALA (Kottayam) : I beg to move for leave to introduce a Bill to amend the Protection of Human Rights Act, 1993.

MR. SPEAKER : The question is

"That leave be granted to introduce a Bill to amend the Protection of Human Rights Act, 1993."

The motion was adopted.

SHRI RAMESH CHENNITHALA : I introduce the Bill.

15.39½ hrs.

[English]

**SPICES AND CASH CROPS PRICES
COMMISSION BILL**

SHRI RAMESH CHENNITHALA (Kottayam) : I beg to move for leave to introduce a Bill to provide for the constitution

of a Commission for the purpose of recommending to the Government the remunerative prices for spices and other cash crops.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the constitution of a Commission for the purpose of recommending to the Government the remunerative prices for spices and other cash crops."

The motion was adopted.

SHRI RAMESH CHENNITHALA : I introduce the Bill

15.40 hrs.

[English]

**REPRESENTATION OF THE PEOPLE
(AMENDMENT) BILL
(Insertion of new section 29B, etc.)**

SHRI ATAL BIHAR VAJPAYEE (Lucknow) : I beg to move for leave to introduce a Bill further to amend the Representation of the People Act, 1951.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Representation of the People Act, 1951."

The motion was adopted.

SHRI ATAL BIHARI VAJPAYEE : I introduce the Bill

15.40½ hrs.

[Translation]

**PREVENTION OF INFLUX OF FOREIGN
NATIONALS IN THE COUNTRY BILL**

SHRI KRISHAN LAL SHARMA (Outer-Delhi) : I beg to move for leave to introduce a Bill to check unauthorised entry of foreign nationals into the country and for their deportation to the countries of their origin and for matters connected therewith.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to check unauthorised entry of foreign nationals into the country and for their deportation to the countries of their origin and for matters connected therewith."

The motion was adopted.

[Translation]

SHRI KRISHAN LAL SHARMA : I introduce the Bill.

15.41 hrs.

[Translation]

**PREVENTION OF INSULTS TO NATIONAL
HONOUR (AMENDMENT) BILL
(Amendment of Section 3)**

SHRI KRISHAN LAL SHARMA (Outer-Delhi) : I beg to move for leave to introduce a Bill to amend the prevention of Insults to National Honour Act, 1971.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to amend the Prevention of Insults to National Honour Act, 1971."

The motion was adopted.

[Translation]

SHRI KRISHAN LAL SHARMA : I introduce the Bill.

15.41½ hrs.

[Translation]

**CONSTITUTION (AMENDMENT) BILL
(Amendment of Article 51A)**

SHRI KRISHAN LAL SHARMA (Outer-Delhi) : I beg to move for leave to introduce a Bill further to amend the Constitution of India

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

[Translation]

SHRI KRISHAN LAL SHARMA : I introduce the Bill.

15.42 hrs.

[English]

**CONSTITUTION (AMENDMENT) BILL
(Insertion of new article 371HA)**

SHRI GANGA CHARAN RAJPUT (Hamirpur) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI GANGA CHARAN RAJPUT : I introduce the Bill.

[English]

MR. SPEAKER : Shri Kashi Ram Rana - Not present.

Shri Basu Deb Acharia - Not present.

15.42½ hrs.

**CONSTITUTION (SCHEDULED CASTES)
ORDERS (AMENDMENT) BILL**

PROF. P.J. KURIEN (Mavelikara) : I beg to move for leave to introduce a Bill further to amend the Constitution (Scheduled Castes) Order, 1950, the Constitution (Scheduled Castes) (Union Territories) Order, 1951, the Constitution (Jammu and Kashmir) Scheduled Castes Order, 1956, the Constitution (Dadra and Nagar Haveli) Scheduled Castes Order, 1962, the Constitution (Pondicherry) Scheduled Castes Order, 1964 and the Constitution (Sikkim) Scheduled Castes Order, 1978.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution (Scheduled Castes) Order, 1950, the Constitution (Scheduled Castes) (Union Territories) Order, 1951, the Constitution (Jammu and Kashmir) Scheduled Castes Order, 1956, the Constitution (Dadra and Nagar Haveli) Scheduled Castes Order, 1962, the Constitution (Pondicherry) Scheduled Castes Order, 1964 and the Constitution (Sikkim) Scheduled Castes Order, 1978."

The motion was adopted.

PROF. P.J. KURIEN : I introduce the Bill.

15.43 hrs.

*[English]***SANSKRIT LANGUAGE (COMPULSORY TEACHING IN SCHOOLS) BILL**

PROF. P.J. KURIEN (Mavelikara) : I beg to move for leave to introduce a Bill to provide for the compulsory teaching of Sanskrit language in schools.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the compulsory teaching of Sanskrit language in schools."

The motion was adopted.

PROF. P.J. KURIEN : I introduce the Bill

15.43 ½ hrs.

*[English]***INDIAN CITIZENS ABROAD (VOTING RIGHT AT ELECTIONS) BILL**

PROF. P.J. KURIEN (Mavelikara) : I beg to move for leave to introduce a Bill to provide the Indian citizens living abroad with the right to vote at elections to the House of the People and the Legislative Assemblies of States.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide the Indian citizens living abroad with the right to vote at elections to the House of the People and the Legislative Assemblies of State."

The motion was adopted.

PROF. P.J. KURIEN : I introduce the Bill

15.44 hrs.

*[English]***UNORGANISED LABOUR WELFARE BILL**

SHRI DWARAKA NATH DAS (Kanimganj) : I beg to move for leave to introduce a Bill to provide for protection and welfare of unorganised labour and for matters connected therewith

MR. SPEAKER : The question is

"That leave be granted to introduce a Bill to provide

for protection and welfare of unorganised labour and for matters connected therewith."

The motion was adopted.

SHRI DWARAKA NATH DAS : I introduce the Bill.

15.44 ½ hrs.

*[English]***EX-TEA GARDEN LABOUR WELFARE BILL**

SHRI DWARAKA NATH DAS (Kanimganj) : I beg to move for leave to introduce a Bill to provide for protection and welfare of ex-tea garden labour and for matters connected therewith.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for protection and welfare of ex-tea garden labour and for matters connected therewith."

The motion was adopted.

SHRI DWARAKA NATH DAS : I introduce the Bill

[English]

MR. SPEAKER : Shri Sultan Salahuddin Owaisi - Not present.

15.45 hrs.

*[Translation]***CONSTITUTION (AMENDMENT) BILL
(Amendment of Preamble)**

SHRI RAM NAIK (Mumbai-North) : I beg to move for leave to introduce a Bill further to amend the Constitution of India

[English]

MR. SPEAKER : The question is

"That leave be granted to introduce a Bill further to amend the Constitution of India "

The motion was adopted.

[Translation]

SHRI RAM NAIK : I introduce the Bill.

15.45½ hrs.

*[Translation]***OLD AGE PENSION AND REHABILITATION BILL**

SHRI RAM NAIK (Mumbai-North) : I beg to move for leave to introduce a Bill to provide for payment of pension and provision of other rehabilitation facilities to old persons.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for payment of pension and provision of other rehabilitation facilities to old persons."

*The motion was adopted.**[Translation]*

SHRI RAM NAIK : I introduce the Bill.

15.46 hrs.

[Translation]

**PUBLIC PREMISES (EVICTION OF UNAUTHORISED
OCCUPANTS) (AMENDMENT) BILL
(Amendment of Section 2)**

SHRI RAM NAIK (Mumbai-North) : I beg to move for leave to introduce a Bill further to amend the Public Premises (Eviction of Unauthorised occupants) Act, 1971.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Public Premises (Eviction of Unauthorised occupants) Act, 1971."

*The motion was adopted.**[Translation]*

SHRI RAM NAIK : I introduce the Bill.

15.46½ hrs.

[English]

**CONSTITUTION (AMENDMENT) BILL
(Insertion of new article 16A, etc.)**

SHRI G.M. BANATWALLA (Ponnani) : I beg to move for

leave to introduce a Bill further to amend the Constitution of India.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI G.M. BANATWALLA : I introduce the Bill.

15.47 hrs.

*[English]***ERADICATION OF UNEMPLOYMENT BILL**

SHRI G.M. BANATWALLA (Ponnani) : I beg to move for leave to introduce a Bill to provide for a scheme for eradication of unemployment from the country.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for a scheme for eradication of unemployment from the country."

The motion was adopted.

SHRI G.M. BANATWALLA : I introduce the Bill.

15.47½ hrs.

[English]

**CONSTITUTION (AMENDMENT) BILL
(Amendment of article 19)**

SHRI G.M. BANATWALLA (Ponnani) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI G.M. BANATWALLA : I introduce the Bill.

15.48 hrs.

[Translation]

**DECLARATION OF ASSETS BY MINISTERS,
MEMBERS OF PARLIAMENT AND CIVIL
SERVANTS BILL**

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora) : I beg

to move for leave to introduce a Bill to provide for declaration and public scrutiny of assets of Ministers, Members of Parliament and Civil Servants.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for declaration and public scrutiny of assets of Ministers, Members of Parliament and Civil Servants."

The motion was adopted.

[Translation]

SHRI BACHI SINGH RAWAT 'BACHDA' : I introduce the Bill.

15.48½ hr.

[Translation]

DESTITUTE WOMEN WELFARE BILL

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I beg to move for leave to introduce a Bill to provide for the welfare of destitute women and for matters connected therewith.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the welfare of destitute women and for matters connected therewith."

The motion was adopted.

[Translation]

SHRI BHAGWAN SHANKAR RAWAT : I introduce the Bill.

15.49 hrs.

[Translation]

HIGH COURT AT ALLAHABAD (ESTABLISHMENT OF A PERMANENT BENCH AT AGRA) BILL, 1996.

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I beg to move for leave to introduce a Bill to provide for the establishment of a permanent Bench of the High Court at Allahabad at Agra.

[English]

MR. 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 Agra."

The motion was adopted.

[Translation]

SHRI BHAGWAN SHANKAR RAWAT : I introduce the Bill.

15.49 ½ hrs.

[Translation]

CONSTITUTION (AMENDMENT) BILL (Omission of article 44 etc.)

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I beg to move for leave to introduce a Bill further to amend the Constitution of India

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

[Translation]

SHRI BHAGWAN SHANKAR RAWAT : I introduce the Bill.

15.49 ¾ hrs.

[Translation]

CONSTITUTION AMENDMENT BILL (Insertion of new Article 18A)

SHRI BHAGWAN SHANKAR RAWAT (Agra) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.**[Translation]*

SHRI BHAGWAN SHANKAR RAWAT : I introduce the Bill.

15.50 hrs.

[English]

LOTTERIES (PROHIBITION) BILL

SHRI VIJAY GOEL (Sadar-Delhi) : I beg to move for leave to introduce the Bill to prohibit institution, promotion, conduct and sale of lotteries and for matters connected therewith.

MR. SPEAKER : The question is :

"That leave be granted to introduce the Bill to prohibit institution, promotion, conduct and sale of lotteries and for matters connected therewith."

The motion was adopted.

SHRI VIJAY GOEL : I introduce the Bill.

MR. SPEAKER : Dr. Pandey is absent. He has requested for deferment.

15.50 ½ hrs.

[Translation]

CONSTITUTION AMENDMENT BILL (Insertion of New Article 371HA)

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

[English]

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.**[Translation]*

SHRI BACHI SINGH RAWAT 'BACHDA' : I introduce the Bill.

[English]

MR. SPEAKER : The rest of the business on the Private Members' Bills will be taken up after the conclusion of the Finance Minister's reply. Finance Minister please.

15.51 hrs.

[English]

GENERAL BUDGET - 1996-97 - GENERAL DISCUSSION

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Mr. Speaker, Sir, 46 days after the Budget was presented, I am glad that I have the opportunity to reply to the debate which has taken place over a period of three or four days. I must confess that a certain sense of urgency or a certain quality of passion that should attach to this debate was indeed missing. In a way, I think that is because the Budget did not effect or provoke too much opposition from any quarter.

I have a useful way to test whether we are on the right course or not. It is a very simple talisman. Whenever I have a doubt, I visit my constituency and if the people in my constituency appear generally happy, I return with the confidence that we are on the right course. I am sure, every Member does that if not always, at least on crucial occasions in his parliamentary career or political life. I do not believe that any part of India is very different from any other part of India or that people of any part of India are very different from those of any other part of India. There are social and cultural differences but, by and large, I think the heart beat of India is one. Hearts of all Indians beat in the same manner. And I believe that this Budget, the first one of the U.F. Government, has been generally well-received by the people of India as a Budget which balances growth and social justice, balances courage and compassion and balances reform and restraint.

I am grateful to hon. Members from all sides of the House who have given their very valuable suggestions on the Budget and made some extremely valuable points which, of course, have been of great benefit to me. I am also grateful particularly to Opposition Members who, despite their criticism, were broadly supportive of many measures that were announced in the Budget.

Sir, I wish to begin with a brief exposition of, what I believe, is the need for economic reforms. Five years after reforms commenced, it is good that there is still a very healthy and effective debate on reforms. But the debate must move from stage to stage. The debate cannot go back to first principles. The debate cannot go back to the sterile and ideological controversies like, should India open up its economy; should trade become free or do we need foreign investment. These are issues which have been debated, on which I believe we have broadened the consensus. Why do I say that?

So long as the Congress Party was in power as a single Party Government.. the authorship of reforms belonged to the Congress Party and it reached out to other parties seeking support. It succeeded in some measure. It failed in some respects. But, today we have a Government of 13 political parties. The fact that 13 political parties have come together to write a Common Minimum Programme is a measure of success not to be ridiculed, not to be laughed away. And if the Congress Party also thinks that the economic policies of this Government are pointed in the right direction, then I would be right in claiming that the earlier support is enlarged rather than diminished in the last five years. This enlarged area today embraces a Party like the CPI. It embraces regional parties like the DMK, TDP and the AGP. It embraces a Party like the CIP(M), in good measure if not in all aspects. And, I think that is a good sign for the management of India's economy. It is good for the management of the political economy as well.

Sir, there was some discussion in the House about growth and social justice. In fact there was a very interesting dialectical argument about growth with social justice and growth through social justice. I see no dichotomy. Social justice and addressing concerns of social justice is a function of the capacity of the Government to do that. It is also a function of public policy. I believe, all of us agree, that public policy in this country requires every Government to address concerns of social justice. So, that is beyond dispute. The only other question is, what is the capacity of the Government to address concerns of social justice. More growth will mean greater capacity. Less growth will mean a diminished capacity.

In the first three decades, after planning started, it was our intention to double our per capita income, as it was in 1951. What did we achieve? We achieved barely a fifty per cent growth. In the fifties, sixties and seventies, India's GDP grew by an average of 3.5 per cent. In the eighties, growth accelerated to 5.5 per cent. But we never crossed 5.5 per cent. For the first time in the nineties, we are able to say in the last three years, that we are growing at over 6 per cent and we can confidently aim at 7 per cent growth. You just ask yourself this question. What will India be if its economy grows between 7-8 per cent over the next 25 years? By the year 2025 India's per capita income would have increased by four times. But if India's economy grew only by five or 5.5 per cent, our per capita would have only doubled. The two per cent incremental growth, the difference between five and five-and-a-half on the one hand and seven and seven-and-a-half on the other will mean that our per capita will either double or will go up to four times

16.00 hrs.

There can be no argument against growth. More growth will mean more capacity to address the concerns of social justice. So, I think, we must - as a Parliament, in which the people of India repose faith - affirm our collective determination to promote growth and as a result higher growth increases our capacity to address concerns of social justice.

Sir, the essence of economic reforms, as I said, is to promote growth. But that can be done only by improving efficiency and productivity. There has been some debate in this House about savings rate. I will come to that a little later, but broadly speaking, household savings in this country are quite high. Despite the fact that people in this country are poor, private savings, household savings are quite high. It is the public sector which has dissaved. Why it has dissaved is another matter? But the fact is that the public sector has dissaved, as a result of which our savings hovered around 21 per cent. But even with 21 per cent savings, if we were more efficient, if for every rupee that is invested, we were able to extract a greater output, we would achieve much higher growth.

For example, a country like Korea has been able to extract much higher growth with about the same level of savings that we had for a long period in its history. There is, therefore, no gainsaying the fact that we must emphasise efficiency and productivity. There is no way in which we can grow at seven to eight per cent unless we become a more efficient and a more productive economy. I believe - this is what I wish to - and I can convince this House that efficiency and productivity will come only out of competition, out of openness, out of better technology.

There is enormous empirical evidence to show and this evidence can be gathered from the East and the West, from capitalist countries as well as the former Socialist countries, that the State when it enters into areas where it is not competent to either promote efficiency or manage well, it does very poorly. There are areas where the State alone can provide the leadership as well as the investment. Obvious areas are health and education. Some goods have to be promoted only by the State, Law and order, security, defence can only be the concerns of the State. There are some areas where the State must lead and the private sector will follow - public investment. But there are a number of areas where I think we would build a more efficient and a more productive economy, if we allow the private sector to take the lead with the State providing a supportive role, a policy making role and a regulatory role. That is why, you will find the CMP addresses all these and come up with a coherent programme, a programme which recognises growth, which recognises the concerns of social justice, which recognises the role of the State, which recognises the place for the private sector.

Today, I will not deal with the tax issues. There is an opportunity to deal with them on the 10th and 11th of September when we discuss the Finance Bill. Today, I wish to deal with the philosophy of this Government and the philosophy of the Budget.

The foremost challenge that we face is the fiscal challenge.

I have tried to understand it as a non-economist. I want to explain it as a non-economist to most of us who are non-

economists. What is this fiscal deficit? Is it sustainable? Fiscal deficit 'F' is simply the addition of the revenue deficit and the net capital expenditure. Up to the early 1980s, we did not have a revenue deficit. Today, we have a very large revenue deficit. As projected in the Budget, the revenue deficit of 1996-97 is Rs. 31,475 crore. Last year, according to the revised estimates, it was Rs. 33,331 crore. It means, revenue expenditure exceeds revenue income by a huge amount.

Then, we have capital expenditure. We have some small capital receipts. For example when we recover loans that is a capital receipt or some other receipts. But the capital expenditure is Rs. 42,840 crore. It means we run up a deficit which is made up of revenue deficit of Rs. 31,475 crore and, net of some recoveries of loans, we run up a deficit in the capital account of approximately Rs. 31,000 crore. This Rs. 31,475 crore and Rs. 31,000 crore together makes up the fiscal deficit which is around Rs. 62,266 crore. Deficits have to be financed. How are we financing these deficits? We are financing the deficits by borrowing in the market or by monetising which is the euphemistic way of saying we are printing money. How long can we do that? Is it sustainable at all? We are borrowing in the market. We have to borrow for repaying old loans. We have to borrow to finance current consumption as well as current capital investment. Now, please look at the ratio once again. 'F' equals to 'R' + 'C'. Time and again I have been told and Members said here, do not neglect capital investment. I agree. I do not wish to neglect capital investment. But where will I find the money for 'C'? Can I increase 'C' by raising 'F'? 'C' can go to the sky provided 'F' also goes to the sky. The only way 'C' can be enhanced is to control revenue deficit. Unless 'R' is controlled - 'F' equals 'R' + 'C' - 'C' will never be enhanced even at the same level of fiscal deficit. We have uncontrolled 'R'. The revenue expenditure, the revenue deficit keep rising year after year. We have tried this year to compress it by Rs. 2,000 crore. It will be my first commitment to the people of this country, and to Parliament to ensure that we do not spend beyond what is budgeted. Any one who allows uncontrolled spending is doing a disservice to this country. We are really spending at the cost of succeeding generations. I would like to increase capital investment. That can only be done by controlling revenue deficit which means by controlling revenue expenditure, I can keep the fiscal deficit to the manageable limits.

I was talking about financing. We are borrowing now. We are borrowing in the market. This year, we will borrow about Rs. 35,000 crore. How much of it, do we monetise? If we monetise too much, interest rates will be kept down but inflation will go up. If we monetise too little, inflation will go down, but interest rates will go up. We have to strike a balance. We have to control both interest rate and inflation. If the interest rate goes beyond control, production will suffer, if inflation goes beyond control, the poor will suffer, all the people will suffer. So we have to walk a fine line of managing both inflation and interest rate.

The first lesson that I have learnt is that we must stick to the fiscal deficit that has been projected in the Budget and on no account should we exceed the fiscal deficit. Compressing

the fiscal deficit is not an easy task. From 8.5 per cent, we have brought it down, last year according to revised estimates, to 5.9 per cent. Actual show about 5.7 per cent. That is praiseworthy of the previous Government. But we must bring it down further. The CNP says to bring it down below four per cent. This year, it is of my intention, to keep fiscal deficit to five per cent and next year to compress it even further. If we are to do that without risking and without compromising on capital investment, the only way to do is to control revenue expenditure.

Sir, the interest payment today accounts for Rs. 60,000 crore. In fact, the primary deficit, the difference between the fiscal deficit and interest payment, is very low. It is Rs. 2,266 crore, the lowest in the last several years. That is the interest payment is high and the only way interest payment will come down is if we reduce borrowing over a period of time. It will not come down overnight. It will not come down in the short run because these are the debts which have been accumulated in the past. Please remember, we continue to be a net borrower in the market today.

In this background, what has this Budget done? Firstly, we have taken note of the fact that agriculture continues to be sluggish, particularly the agricultural crop production last year was only 0.9 per cent. That is a matter of concern. It should be a matter of concern for all of us.

Nevertheless, the signs are good. We have had a good monsoon. The reports that I have seen, show that this is perhaps the best monsoon after 1993-94, perhaps as good as 1993-94 monsoon and that agricultural crop production this year will recover substantially. I am happy to inform the House that as of early August, the annual rate of growth in commercial bank credit to the non-food commercial sectors remain higher than 20 per cent. This has been achieved without taking the annual rate of growth of money supply beyond 16 per cent. We are trying to keep money supply to 16 per cent this year and without breaching that ceiling non-food commercial sector has been provided with all the credit that it requires.

The capital base of NABARD is being increased by Rs. 500 crore. RIDF II will have Rs. 2,500 crore this year for agriculture. Rs. 900 crore have been provided for completing the major and last mile irrigation projects. SIDBI has taken a number of steps to provide credit to small industries. Rs. 200 crore have been given for restructuring and recapitalising regional rural banks. Therefore, we have taken care of the credit requirements of agriculture and industry.

In fact, I wish to share some figures of projection we have made about growth of credit flow to agriculture. Last year, the total credit flow to agriculture was Rs. 24,849 crore. This year, we expect it to be Rs. 31,473 crore. Similarly, NABARD refinance last year was Rs. 8,383 crore. This year we expect it to be Rs. 8,560 crore.

As regards the agency-wise credit flow to agriculture, cooperative banks will lend this year Rs. 13,440 crore for production, credit; RRBs will lend Rs. 1,080 crore; commercial

banks will lend Rs. 6,486 crore and the total is Rs. 21,006 crore, which is 24 per cent more than last year.

Medium and long term credit, which is provided by cooperative banks, RRBs and commercial banks will be Rs. 10,467 crore, which is a 31 per cent increase over last year. The total credit to agriculture will be Rs. 31,473 crore, as I have said, which is a 27 per cent increase over last year. So, we have taken care of the needs of agriculture as well as the needs of industry and the small scale industries.

16.16 hrs.

[MR. DEPUTY-SPEAKER *in the Chair*]

Next, Sir, is on the management of inflation. High inflation hurts all segments of the society, especially the very poor. In fact, I say this to many audiences that inflation is the cruellest form of taxation. It taxes the rich and the poor alike. There are several ways to bring down inflation. First is by reducing fiscal deficit. We have done that. At least we have declared our intention to do that. And how far we stick to our resolve will be seen in the subsequent months. The growth of money supply is being kept below 16 per cent. The custom duties have been reduced across the board because reduction of customs duties have a price-restraining effect. Imports have a price-restraining effect. The weighted average of customs duties now in India is about 27 per cent. It is much higher than Asian standards and much higher than world's standards. But since our industry requires a level of protection, we have kept it approximately at 27 per cent. In fact, the two per cent additional customs duty which I have imposed across the board has been criticised as retrograde. But I need that money for infrastructure. We have not arbitrarily or hastily dismantled customs duty. We are doing it according to the Chelliah Committee recommendations, according to a plan. I have not increased the excise duties. In fact, I have cut the excise duties across the board and the excise duty of a number of commodities have been brought down to zero. So, there is no cost-push inflation.

Finally, we want to manage the supply side. While reduction of customs duties, reduction of excise duties, keeping the fiscal deficit will help, eventually, I think, it is the supply side which will ensure that inflation is kept under control. In a country where population grows by two per cent and there are rising expectations, demands will always grow. You cannot control demand. It is aspiration which drives consumption and it is consumption which drives production. You cannot tell the people to postpone their aspirations to the next generation or the generation of their son and grandson. So, what we need is to ensure that the supply side is taken care of.

We must increase production of agriculture, increase production of wage goods, increase production of white goods, durables and non-durables. If we can manage the supply side and see that there are no interruptions or bottlenecks, I think, we will be able to keep inflation down. It is now almost

seven weeks since we raised the petroleum prices. Inflation has moved up only by about 1.2 per cent or 1.3 per cent. If inflation was a set of equations, we can play with it but inflation is a set of expectations. I would urge the hon. Members to take the message to their respective constituencies and I would tell the people of this country that there is no reason to fear that prices will go out of control.

We are keeping a tight lid on money supply; we are keeping a tight lid on expenditure; and we will keep a tight lid on fiscal deficit. We will manage the supply side; we will ensure that agricultural production and industrial production are not affected; goods will be available and there is no reason for people to believe that prices will go up or shortages will develop. If inflationary expectations are dampened, then inflation will be under control. We should do nothing and we should say nothing which will stoke inflationary expectations. There is no reason to believe in this year, a year of an excellent monsoon, that there will be any disruption of supply. I am confident, therefore, that we will be able to manage the inflation.

There is another area which requires careful management, that is, the balance of payment. Somehow, there is an impression that it has no impact upon what happens within the country. Unfortunately, it has.

Let us look at what has happened over the last two or three days. We plan to import a certain quantity of oil, we assume a certain price; and we assume that that price will remain at about 16.5 dollars per barrel. But if prices shoot up to 21 dollars a barrel, what happens to our oil import bill? What happens to our foreign exchange reserve? So, there is the external world which impacts upon India. In fact, it is a matter of some concern to me that import growth has slowed down in the first four months of this year to only about six per cent, but the oil import bill is rising by about forty per cent. We consume too much oil. I have urged upon my colleagues in the Ministry of Petroleum that we must find ways to conserve oil, we simply cannot consume so much of oil (*Interruptions*)

SHRI P.R. DASMUNSI (Howrah) : There are more cars and no roads. That is why, you are struggling.

SHRI P. CHIDAMBARAM : The answer is not simple. The answer is not to say less number of cars and more roads will conserve oil. Anyone who reflects on it will agree. The answer really lies in investing in the petroleum sector, exploring for more oil, finding new oil reserves; and tapping those oil reserves. The answer does not lie in meddling here and meddling there. The answer lies only in the one traditional classic road; more investment, more risk taking, more enterprise, more exploration and more exploitation of oil reserves.

Now, what has happened to our oil economy? We used to produce 50 per cent and we used to import 50 per cent. Now, since the consumption is rising at a much faster rate,

the production is not rising in the same rate, but the imports are rising at a higher rate. Our dependency on foreign oil is increasing. Therefore, the external economy impacts upon the Indian economy. The balance of payments, therefore, is very critical.

I wish to share some thoughts on the balances of payment and I wish to make one or two important announcements also. The external debts in March, 1995, was 99 billion; by September, 1995, it came down to 93.8 billion. It does not mean that we repaid 5.1 billion. We repaid one-third of that; the remaining two-thirds is the exchange rate change. But the management of our external debt has been very good. The stock of external debt as a ratio to G.D.P. has fallen from 41 per cent in March, 1992 to 29 per cent in September, 1995. That is the good record of managing the external debt.

Similarly, debt service ratio, because of robust growth in exports and other current receipts, declined from a high of 35 per cent in 1990-91 - the year of crisis - to 26 per cent in 1995-96.

That is also a sign of good management. In the current year 1996-97, we expect a deficit of the Current Account on the balance of payments to be around seven billion dollars or about two per cent of GDP. However, repayments on the capital account are likely to be unusually high this year - almost ten billion dollars because of the bunching of maturing obligations of past debt on account of external assistance. IMF loans, rupee debt to Russia and external commercial borrowings. It is unusually high because this year we have to repay \$ 2.2 billion by way of redemption obligation on the India Development Bonds issued five years ago. To meet the nearly seventeen billion dollars of the Current Account deficit and capital repayments, without running down our foreign currency reserves from the level of seventeen billion dollars, we anticipate gross disbursements of external assistance and commercial borrowings to be in the order of nine billion dollars and another half a billion of net NRI inflows.

I wish to share a thought on foreign exchange reserves. Last year, we ran down our reserves by about three billion dollars and there are good reasons why it happened. I do not want to go into those reasons. This year we cannot afford to run down our reserves. In fact, we have built up our reserves. Since this Government took office, reserves have increased by almost a billion dollars - about \$ 850 million. We cannot run down reserves below seventeen billion dollars because seventeen billion dollars will represent about 3 to 3½ months of imports. So, we must maintain our reserves. We must provide here a more hospitable climate to both Foreign Direct Investment and Foreign Institutional Investment.

These were recognised when the CMP was drafted. The CMP was not drafted in a vacuum. The CMP was not drafted without reference to the economic realities of 1996-97. That is why the CMP says that we will invite foreign investment, we will create in this country a hospitable climate for foreign

investment and we will aim at ten billion dollars FDI. If our outgoes this year will be \$ 17 billion and if the inflows through external assistance, commercial borrowings and NRI will be about \$ 9.5 billion, the remaining \$ 7.5 billion must come through FDI, FII and GDR inflows.

I wish to take this opportunity to compliment and thank my colleague, the Minister of Industry for taking vigorous resolute steps to clear the entire backlog of FDI applications, for revamping the FIPB and for setting up the Foreign Investment Promotion Council, which, I believe, will meet in the next few days. We need more foreign capital. We need capital both in the form of direct investment as well as institutional investment.

Last year, we had a modest flow of FDI and a modest flow of FII. This year it is my hope and it is my aim to ensure that FDI increases by another one billion dollars - from two billion dollars to at least three billion dollars or 3.5 billion and FII also increases by another one billion dollars so that we will have this \$ 7.5 billion. We expect to raise GDR inflows to about \$ 1.5 billion. So, about three billion dollars of FDI, three billion dollars of FII and \$ 1.5 billion of GDR will give us \$ 7.5 billion, which is required to finance this year's external account. All this will not happen by itself. It will require active efforts on our part to maintain sound macroeconomic and sectoral policies and make special efforts to encourage the flow of foreign capital, both institutional and direct investment, into India.

Sir, I wish to take this opportunity to make a statement. We have decided to redeem in full the India Development Bonds. This is a sign of our strength. This is a sign of our confidence in our ability to manage the external economy. This is a sign of our confidence that we can maintain our reserves. There has been some speculation that we may seek to roll over these Bonds. I wish to put an end to that speculation. Our Balance of Payments is strong. We do not need to roll over. We will redeem the India Development Bonds in full this year.

Next, Sir, I turn to mobilisation of resources. There was a discussion in this House about savings. I alluded to it at the beginning of my speech. As I said, and I wish to say that again, that there is nothing wrong with India's private savings. Let me compare India's private savings with the savings of some other countries. India's private savings in 1994-95 was 22.7 per cent and it compares well with that of Indonesia which was 14 per cent - in the second half of the Eighties and it might have gone up a little in the Nineties - and that of Thailand which was 14.6 per cent and that of Malaysia which was 19.1 per cent and that of Japan which was 15.8 per cent.

Let me straightaway say that some of these figures are slightly outdated. Let me allow for another three or four per cent increase in their private savings. Even then, India's private savings at 22.7 per cent compares very well with the private savings of Indonesia, Thailand and Malaysia. Where we fall

behind is in the public savings. our public savings has never crossed two per cent. In 1994-95 it was 1.7 per cent and in one of these years it was even negative, whereas the public savings in Indonesia was 7.7 per cent in 1981-88 and in Thailand it was 8.6 per cent in the same period and 10.3 per cent in Malaysia and 5.1 per cent in Japan. The only way in which we can rise our savings is to ensure that our public sector - and that includes Government - does not dis-save and saves more. We must cut out all unproductive wasteful expenditure. We must get more out of every rupee that we spend; every rupee that we invest.

When I announced the package of austerity measures, when I required the public sector concerns to either pay a higher dividend as a proportion of their total payout or as a proportion of equity, there was some concern expressed. but what am I doing by insisting that they pay me a higher dividend? I am asking them to save more. I am asking them to become more efficient. And, believe me, this year they will return to the Government more by way of dividend than they did last year because they are now under pressure to perform at a higher level of efficiency.

Sir, this Budget aims to reduce revenue deficit to 2.5 per cent of the G.D.P. The Budget proposes to accomplish this not just by controlling the growth of expenditure but also by raising revenues. This Budget continues the strategy of tax reforms aimed at raising revenues through broadening the base of taxation and improving tax compliance through a combination of reasonable rates, simple tax laws and firm administration and enforcement.

In the last four weeks Members would have been pleased to note that both the Excise Department of the Government of India as well as the Income-tax Department have taken a number of steps on the enforcement side. I have not given them any specific instruction. All I have told them is that I believe in low tax rates, simple procedures but firm enforcement and better compliance. We are trying to make life difficult for anybody who evades tax. Everybody who is required to pay the tax must pay the tax, be it Income-tax, be it Excise duty, be it Customs duty. Tax evaders will be severely dealt with and they will be punished.

I have reduced customs duties. I have reduced excise duties. I have reduced income tax by five per cent for the first slab. I have halved the corporate surcharge. If all goes well with the support of the Prime Minister, we will continue on the path of reducing taxes and duties, but we will become firmer and more strict in enforcing the tax rate and ensuring compliance. Hon. Members may receive complaints that our people are inspecting, our people are asking for records. I would only urge the hon. Members to hear those complaints with one ear and let it out through the other ear, and not carry those complaints back to the Government of India because anyone who evades taxes must pay a penalty. Sir, as a result of these proposals and the underlying buoyancy, the ratio of gross tax revenues to GDP will rise this year to

10.5 per cent compared to 10.1 per cent in Revised Estimates last year. I have the fullest confidence in our Revenue Department and in our Excise and Customs Board and in the Direct Taxes Board that they will measure up to the expectations of the Government and will be able to collect the revenues that have been targetted for 1996-97.

Sir I also wish to take credit for what may appear to be a rather dubious distinction that the tax effort this year has been the highest in the last 10 years. This Budget mobilises Rs. 2,692 crore which is the highest, I believe, in the last 10 years. And the fact that we have done it without creating a howl of protests means that we have done it in the manner in which a bee extracts honey from a flower and that is the way. I think, all taxes must be levied and collected. We have mobilised or we intend to mobilise an additional Rs. 2,700 crore. The closest we came was in 1991-92 when the Government raised Rs. 2,617 crore, but this year's mobilisation of Rs. 2,692 crore will be the highest.

Sir, there was some discussion about expenditure on social services and poverty alleviation. My friend, Shri Sontosh Mohan Dev had some figures, but everyone has his own figures. In fact, I have read a number of articles, essays, reports that we are doing less this year than last year. Factually, that is not correct. Let me say this. I began by saying, it is more growth, and more revenues which would give us greater capacity to spend on social services. In the last 5 years, the previous Government weathered the crisis, put India on a growth path and towards the end, towards the last two or three years allocated substantial amounts to social services.

I do not wish to take away any credit for those steps taken by the previous Government. What I wish to add is that the U.F. Government, given its renewed commitment to social justice, has improved upon the performance of the last couple of years. We have allocated more funds for social services. Now, I will demonstrate that presently.

Sir, let us compare 1996-97 Budget Estimates to 1995-96 Budget Estimates. The Central Plan allocation for social services has increased by 50 per cent, non-Plan allocation for these services has increased by 16 per cent and that is not a mean achievement. If you take the total of Plan and non-Plan allocation for social services as a per cent of total expenditure, this ratio has increased to an all time high of 7.3 per cent this year as compared to seven per cent in the revised estimate of last year and 6.2 per cent in the Budget Estimates of last year. One of the reasons is the economy is stronger. One of the reasons is the economy grew last year by seven per cent.

That is why, I readily give credit to the performance of last year that because the economy grew by seven per cent last year, this Government has been able to allocate 7.3 per cent of the total expenditure on social services this year. As a ratio of GDP, the allocation for Plan and Non-Plan expenditures in social services has risen to a record level of

1.19 per cent in 1996-97 compared to 0.97 per cent in 1995-96.

Therefore, Sir, any argument, any criticism that we have done less this year is, I say with great respect, factually incorrect. We have done more. We have been able to do more, we have had the capacity to do more because last year the GDP grew by seven per cent and please remember, these figures are only by allocations to the various departments and various services. I am not taking into account the very special plan which the Prime Minister and the Chief Ministers evolved jointly, the basic minimum services plan. I am not adding in this calculation the amount of Rs. 2,466 crore which we have provided for the basic minimum services. If I add that Rs. 2,466 crore, what we have done this year is the highest ever done and the highest that could have been done by any Government. This is enough affirmation of our commitment to social services.

SHRI SONTOSH MOHAN DEV (Silchar) : Mr. Chidambaram, I do not dispute your claim. But there are two or three things. You are quoting the Prime Minister. The Prime Minister has declared that in the balance 900 and odd blocks, the Employment Assurance Scheme will be covered in the next two years. At the instruction of the present Prime Minister, you have increased the amount given to an individual from Rs. 20,000/- to Rs. 22,000/- under Indira Awaas Yojana, whereas the allocation remains the same.

SHRI P. CHIDAMBARAM : That is not including Rs. 2,466 crore.

SHRI SONTOSH MOHAN DEV : You see our Report.

SHRI P. CHIDAMBARAM : I will see your Report.

SHRI SONTOSH MOHAN DEV : We are disputing your claim. Your intention is good, but as the Finance Minister try to keep up the word of your Prime Minister We will be happy.

SHRI P. CHIDAMBARAM : There need be no doubt that every Minister including the Finance Minister is obliged to honour and implement the word of the Prime Minister. Therefore, have no doubt on that score. The point is, the hon. Minister for Planning prompts me to say - and he is absolutely right, he is a distinguished economist and he is handling this - that you are not taking into account Rs. 2,466 crore. Most writers, most critics seem to forget that we are allocating Rs. 2,466 crore extra. This is additional to what has been allocated both for State Plan assistance and for Central Plan and what is this Rs. 2,466 crore going for? It is going for drinking water, primary education, primary health, rural road communication, Public Distribution System, housing and Mid-Day Meal Scheme. If you count the housing component and if some of that housing component goes to Indira Awaas Yojana, Rs. 250 crore goes to slum clearance, you will find that the allocation under every head will go higher

than last year. I think you should wait for Rs. 2,466 crore to be allocated. In fact, it has been allocated to several States now and only two or three States remain. Once that allocation comes and if you then add what has been allocated under Rs. 2,466 crore to the heads of drinking water, slum clearance and housing, you will find that the allocation is much more.

If you look at the Central Plan Outlay for major schemes of social sector including rural development as per standard classification - I am not trying to juggle the classification - the total Central Plan expenditure on social sector as a proportion of Budget support for Central Plan has increased to a record level of 50 per cent in 1996-97 as compared to 47 per cent last year. Similarly, as a ratio of the GDP, the total expenditure on these schemes has increased to a record level of 1.31 per cent of the GDP as compared to 1.25 per cent last year.

Therefore, Sir, we have done more and I am willing to share these figures with any hon. Member. If hon. Members feel that a note of this kind would be beneficial when they want to visit their constituency, I am willing to make copies of this note with these figures and circulate it to all the hon. Members in the next couple of days.

DR. T. SUBBARAMI REDDY (Visakhapatnam) : It will be helpful.

SHRI P. CHIDAMBARAM : I will do that.

After the fiscal challenge, the next challenge, as I said in the Budget Speech, is infrastructure. I think all of us recognise that India's infrastructure is straining its seams. Take ports as an example. Port performance is growing by about nine per cent a year. Last year, exports grew by 21 per cent and the imports grew by 29 per cent. Now it is a matter of high school arithmetic that if imports grow by 25 per cent and export grow by 20 per cent and ports grow only by nine per cent, something has to give somewhere which is what is happening today. Ships have to wait outside the harbour for nine days and ten days. The turn around time is ten days. You can repeat that for sector after sector. Take for example electricity. Now, look at the demand shortage, it is 20 per cent. Take for example our roads. We have only about 74,000 kilometres of what is called National Highway. But in many places it is only a Notional Highway. It is not a National Highway. It ought to be world class roads.

A gentleman from the Ford Motor Company who have set up a plant now in Maharashtra and who are setting up another plant in Tamil Nadu, told me that it takes five to nine days for a truck to go from Mumbai to a place in Tamil Nadu. If we need an efficient and cost effective system, and if it takes nine days for goods to move from Mumbai to Madras, how is it possible? It should take not more than two days if we have world class roads there. That is why we have identified the infrastructure challenge as the second challenge after the fiscal challenge.

I will run through very quickly just to refresh your memory. We have given Rs. 900 crore for completing major and last mile irrigation schemes. I am confident that the Deputy-Chairman of the Planning Commission and the Minister for Planning will announce the schemes by the last date of Parliament or immediately thereafter. We have given Rs. 2,500 crore to RIDF-II through the NABARD, Rs. 5,000 crore for the Infrastructure Development Finance Company which will be provided a capital of Rs. 1,000 crore this year, Rs. 200 crore to the national Highway Authority of India, a tax holiday for infrastructure projects is being extended to water supply, irrigation, sanitation and sewerage systems, income of funds for financing infrastructure projects is being exempted from Income Tax, and a special window of another Rs. 10,000 is being added to Section 88 of the Income Tax Act. Now, all this is what we provided by way of money and by way of policy support. But I am very concerned about the performance of the six infrastructure industries. These are electricity generation, coal, saleable steel, crude oil, refinery throughput and cement. Now cement is, by and large, in the private hands. But please remember the other five sectors are in the public sector. Now these sectors are under-performing the economy. That is bad. We must ask ourselves, there is no ideology here, if these sectors - electricity, coal, steel, crude oil and refinery under-performed the performance of the economy, how can we ever become a very strong nation the first class infrastructure? These sectors must over perform the economy. If the economy is growing by seven per cent and if the industry is growing by nine per cent or 10 per cent, these sectors must lead the way by over-performing the economy. Unfortunately, traditionally and historically, they have under-performed the economy. I have figures for April, May and June and there is a cause of some concern. Electricity generation in the first quarter of this year increased by only 2.1 per cent over the corresponding quarter last year. Crude oil, in fact, declined by 9.4 per cent. Coal has done well at 10.4 per cent. Steel is reasonably well at six per cent. Refinery throughput modestly at six per cent. Cement has done very well at 14 per cent.

But overall these six sectors have grown only by 4.6 per cent, while in the first quarter of last Budget, they grew by 11.8 per cent. If these sectors grow by four or five per cent, I am afraid, we will not achieve our targeted growth either in the industry or in the GDP. It is important that all players in these sectors - management, workers, trade unions, banks - must gird their loins to see their performance in these sectors improves. These are vital infrastructure sectors. They must lead the way rather than lag behind. One of the reasons why they are under performing - some of my friends should not find fault with me for making that statement - is that they are overregulated. It is absolutely necessary that we look at the regulations that hamper growth in these sectors and remove many of those regulations. It has nothing to do with the public sector and the private sector. Let it remain in the public sector or let it remain in the private sector, let both sectors function. But if they are overregulated sectors, we must find a way to remove some of these regulations. One of the reasons is overregulation, but there are other reasons also.

Sir, I wish to say a few words on the capital market. The capital market is a place where almost twenty million Indians have invested their hard-earned savings. The shareholding population of our country is growing rapidly as families seek new and productive outlets for increasing the value of their savings. The Indian companies and entrepreneurs are raising increasing amounts of money from the capital market to start new factories, to launch new business and expand the existing enterprises. The capital market goes up and down. While speculation is an unavoidable feature of any market, we must impart certain stability to our markets so that the interests of millions of small investors are protected. We have already empowered SEBI. I have reviewed what happened in the capital market in the year 1993-94 where a large number of poor quality issues vetted by poor quality merchant bankers came into the market, as a result of which, I believe, the small investor has virtually fled the market. I am determined to move against errant brokers, merchant bankers and dishonest promoters. Some action has already been taken, but more can be done and will be done. In the past several weeks, I have been inundated with requests from various sections of society that I should do something to revive capital markets which have been going through a sluggish phase for quite some time. The state of the markets has to be constantly under review and watch. There are no one time or magic solutions. The Indian capital market suffers from a number of structural weaknesses which I intend to address systematically. But I am persuaded that there is an urgent need to perk up market sentiments since a good part of market behaviour is based on psychology and sentiment. In making the announcements that I will make now, my intention is to impart stability to the market and to woo the small investors back to the market. Sir, I am happy to announce the following measures.

1. Under Section 54 (E)(A) of the Income-tax Act, which is in the Finance Bill under consideration, capital gains exemption is to be given if the investment is made for three years in bonds or debentures notified by the CBDT. I propose to extend the coverage to include investment in all mutual funds.
2. Under Section 54 (E)(B) of the Income-Tax Act, which is also in the Finance Bill under consideration, capital gains are to be exempted from tax if the gains are invested in specified assets notified by the CBDT and retained for seven years. I intend to include debentures and units of all mutual funds in specified assets.
3. Under Section 80L of the Income-Tax Act, the exemption limit in respect of income by way of dividends and interest from certain specified investments in securities is Rs. 13,000.

Some Years ago, this limit was divided into two parts. I propose to revert to a two-part arrangement. I propose to raise the exemption limit to Rs. 15,000 but divide it into two parts of Rs. 12,000 and Rs. 3,000. Rs. 3,000 will be exclusively reserved for income from investments in shares and mutual

funds. The UTI should be happy. So will be the other mutual funds.

4. Individuals, Indian Companies and Foreign Companies pay capital gains at the rate of 20 per cent. Hon. Members will recall that in order to create a level-playing field, I made this a uniform rate in my Budget Speech. However, partnership firms escaped my attention. They alone are required to pay at the rate of 30 per cent. In order to remove the discrimination, I am reducing the capital gains of partnership firms from the existing 30 per cent to 20 per cent.

5. Some stock exchanges have set up investor protection funds. It is good to have such funds and we must encourage the growth of such funds. I, therefore, propose to exempt all such funds from income-tax provided the net income from such funds is ploughed back into the corpus. A suitable provision will be made in the Income-Tax Act in due course.

6. Hon. Members will be pleased to learn that the Reserve Bank of India is separately announcing an increase in the existing limit for bank advances to individuals against security of shares and debentures from Rs. 5 lakh to Rs. 10 lakh.

7. I would like to see a greater degree of corporatisation of the Indian broker community. It is in the national interest to have more corporates. Such corporate brokers will be subject to the discipline of the Company Law. We would also be able to enforce capital adequacy and other norms. I, therefore, intend to invite shortly leading stock-brokers, both individuals and firms, to a discussion to consider a scheme to facilitate the conversion of brokers into public limited companies. I look forward to a positive response and a fruitful dialogue.

8. I am convinced that we must have large institutions as major buyers in the stock-markets. Otherwise, the field will be open to FIIs. Until new institutional players emerge, the UTI and the LIC will have to share a big responsibility. These institutions are being strengthened and will be professionalised so as to make them effective and responsive participants in the equity market. I will ask the Boards of LIC and the UTI to take steps towards this goal.

9. In my Budget Speech, I had announced the increase in the limit of investment with each FII in a company from five per cent to ten per cent in respect of debt instruments. FIIs are allowed to invest up to 30 per cent of their total funds. There are several FIIs that manage or intend to manage dedicated debt funds. In order to attract more dedicated debt funds to the market, it has been decided to allow the FIIs to invest up to 100 per cent of their funds in debt instruments. Details will be announced by the SEBI in due course. With these, Sir, I hope that the stock-market will become a more attractive place to invite, to welcome the small investor.

Sir, there are only one or two points which I need to address. About the budgetary support to the PSUs, now the figures speak for themselves. About the budgetary support to

PSUs, under the Plan head, last year, Rs. 6418 crore were provided. This year, the Budget proposes to provide Rs. 6870 crore. About Non-Plan loans, last year, Rs. 1184 crore were provided. This year, we are providing Rs. 1270 crore. About capitalisation of nationalised banks, last year, Rs. 851 crore were provided. This year, Rs. 909 crore are provided. The total, for last year, was Rs. 8,453 crore. This year, it is Rs. 9,049 crore.

17.00 hrs.

There is no reason to believe that budgetary support where necessary, where directed by the BIFR and where justified on economic considerations will not be provided. In fact, I will provide budgetary support provided that justification is strong and good. But we should not encourage PSUs to believe that they can become sick because the Finance Minister will provide budgetary support.

On Defence, again a concern has been expressed. I think, I made it very clear that finance will never be a constraint upon defence. That is one charge which stands above and beyond any partisan, ideological or philosophical consideration. We will never grudge what defence needs. But let us not - as one hon. Member from the CPM ranks rightly pointed out - assume that a good defence means more finance. A good defence is more than finance; a good defence is a sound foreign policy; a good defence is a good neighbour policy; a good defence is a good trade policy. We should build a good foreign policy, a good trade policy, a good neighbour policy and at the same time, we must provide all that our defence services require. I think, I said in my Budget speech that if the defence forces require more funds, more funds will be provided. I stand by that commitment. That is a commitment of the UF Government.

But let us look at the figures. The defence expenditure can be broken down into revenue and capital. In 1995-96 BE what was provided to defence was Rs. 25,500 crore. But by the time the year ended, the total defence expenditure increased to Rs. 26,878 crore. Last year between BE and RE, defence got an extra Rs. 1,378 crore, more than what they had budgeted for. This year, I have given them an additional amount, it has gone from Rs. 26,878 crore to Rs. 27,798 crore. While some hon. Members are looking at the increase from BE to RE, I submit that the right way to look at it - that is the way we have always looked at it - is from BE to BE because last year, defence did get Rs. 1,300 crore over the BE. And by the same token, if defence, during the course of this year, requires more funds, more funds will be provided. But I want you to look at the capital expenditure of defence. That I think, is the key. In 1995-96 BE, capital expenditure on defence was Rs. 7,354 crore. By the time we came to RE, it increased to Rs. 8,044 crore and this year, it is Rs. 8,944 crore, a solid Rs. 900 crore increase on capital expenditure which is one of the largest ones. Similarly, if you look at it in percentage terms, it is 21.6 per cent increase on capital expenditure as a percentage of GDP and the defence capital

expenditure remains at 0.7 per cent. It is a revenue expenditure which has been compressed. But if defence requires more money either on revenue or capital amount, it will be provided. Nobody need doubt our commitment to provide adequate funds for defence.

Lastly, I come to science and technology.... *(Interruptions)*

SHRI SONTOSH MOHAN DEV: I had given a memorandum about North-East.

SHRI P. CHIDAMBARAM: That was about tax matters. I will reply to that in the Finance Bill.

The budgeted revenue expenditure on science and technology in 1995-96 was Rs. 1,876 crore. In My Budget it is Rs. 2,124 crore. The budgeted capital expenditure on science and technology in the last Budget was Rs. 211 crore. In this budget, it is Rs. 236 crore, an increase of 12 per cent.

As a percentage of GDP, it continues to remain at the same level as of last year.

The innovation this year is that we have done three things. First of all, we have announced the constitution of a Technology Development Board which is a long pending demand. Secondly, from the Technology Development Fund, we have provided Rs. 30 crore whereas interim Budget only indicated Rs. 10 crore. The third innovation and the most important innovation is that I have said for every commercial rupee the CSIR, ICAR labs will raise, we will provide a matching rupee. Sir, there is some misunderstanding about what this commercial rupee is.

The Prime Minister took a meeting of the CSIR. A presentation was made by Dr. Mashelkar. All the distinguished scientists of India including the heads of all the labs were present. The presentation opened, much to my embarrassment, with a vote of thanks for the promise that every commercial rupee that they raise, will be matched by one more rupee from the Budget. Our scientists today are extremely confident and enthusiastic about the commercial rupee. In fact, they gave us figures about how much they have raised last year as a result of commercializing their science and technology in R & D.

I repeated the commitment in the presence of the Prime Minister and it is my privilege to make that commitment once again in Parliament that let our scientists spend as much as they want on pure science. Let them convert it into technology, into applied science. Let them interact with industry and agriculture; let them take a hundred patents which they are confident of taking. In fact, some Indian patents have now been registered in some very tough patent regimes - US, Europe, Japan. They are very confident of doing that. Only three days ago, you would have found a major Indian patent taken abroad. They say, they will raise a lot of money this year and a lot of money next year through the commercialization

of science and technology. Every rupee that they raise, will be matched by an additional rupee from the Budget and you will find by the year end, science and technology would have got a much greater boost from this Government than at any time in the past. We are completely committed. In fact I read - again to my embarrassment - an article, I think, in the 'India Today' or 'Business Today' caption on science and technology and the budgetary provisions. The caption reads, "What the Doctor ordered". We are responding to a demand of the scientists. They want to commercialize their science, technology and research and they want us to match it, and we will match every rupee they raise, with another rupee apart from funds that will flow from the Technology Development Fund.

DR ASIM BALA (Navadwip): The expenditure for most of the public sector undertakings and even the private sectors is very less. So, the Government should find some criteria, give some provisions for that. They should spend more for their R & D.

SHRI P. CHIDAMBARAM: Sir, I will conclude by saying that we have provided more because we have the capacity to provide more. If we continue to grow at seven to eight per cent, our capacity will increase. We can address concerns of health and education with greater confidence and with more money. But I want to conclude by saying, by highlighting the major initiatives of this Government through this Budget. These are additionalities, these are initiatives which, I think, should be widely welcomed.

The first and foremost is the Rs. 2,466 crore that we are providing for basic minimum services. If we continue on this road for four to five years, if all our States spend efficiently, you will find that in all our villages at least the basic services are provided by the year 2,000.

SHRI SONTOSH MOHAN DEV: If they do not divert the money what shall you do? *(Interruptions)*

SHRI P. CHIDAMBARAM: The second major initiative is that we have not compromised either on food subsidy or fertilizer subsidy. On the contrary, we will enhance fertilizer subsidy by providing Rs. 2,266 crore to phosphatic fertilizers and potassic fertilizers which will restore the balance of nutrients to the soil. We have a major thrust on infrastructure, major thrust on large and last-mile irrigation projects. There is the thrust on social services and we have not compromised on our commitment to any of the schemes that have been nationally accepted.

We have not compromised on our commitment to any of the schemes that have been nationally accepted over the years, since the times of Indira Gandhi, since the days of Rajiv Gandhi, throughout the period of the last Government. Whatever schemes have gained national acceptance, we have not withdrawn any schemes, we have not denied them money. In fact, every single scheme has been provided money. We

are not looking upon previous governments as governments hostile to us or as governments whose commitments we need not keep. Indira Awas Yojana, Prime Minister's Rozgar Yojna, Jawahar Rozgar Yojna, Nehru Rozgar Yojna, Rural Development; all these are schemes which the nation has accepted over the past fifteen years. We are not looking at it in a partisan manner. We believe we must have a continuity. Successive governments must continue what the nation has accepted, what the poor of India have accepted as instruments for their benefits. So, we have not compromised any of that.

We have taken some initiatives as any new Government must. We have taken some new steps as any new combination of parties forming a Government must. So, I believe, that is why the people of India have generally welcomed and accepted this Budget. While I am grateful for the broad support extended to the Budget, I would request hon. Members to continue to give me their guidance, to continue to give me their support. I will respond on the tax matters while I discuss the Finance Bill... (*Interruptions*)

MR. DEPUTY-SPEAKER: Please listen to me first.

SHRI M.P. VIRENDRA KUMAR (Calicut): Nothing has been said about the economy of Kerala.

SHRI XAVIER ARAKAL (Ernakulam): While replying to the Finance Bill we hope you will answer on our point about import duty

MR. DEPUTY-SPEAKER: I will allow you, why do you not listen to me? Hon. Members. Private Members' Business is there today.

[*Translation*]

We have already made enough encroachment on time. I will allow, but debate will not go on like this.

[*English*]

SHRI SHIVRAJ V. PATIL (Latur): We are very glad to hear one good speech. There is a question which is nagging my mind and I would like to put it to the Finance Minister, not to find fault, but to get an explanation and some sort of enlightenment. He has said that in his speech he would speak about the policies of the Government. While doing that he said that this Government would like to have growth with social justice. We accept that this is a good principle. But there is a missing link and I would like to be enlightened on that missing link. Growth we need, we want, we welcome. Social justice we need, we want, we welcome. But are we not going to pay attention to the economic justice? Have we forgotten that there is something called economic justice also? If economic justice is of some meaning and importance to us, what is it we are trying to do to achieve economic justice? Or is the social justice covering the economic justice also? If the producer produces and he does not get the price and the consumer purchases

and he has to pay through his nose, is there an economic justice? If a custard apple is sold for fifty paise in the field and in Delhi if it is sold for Rs. 20, is there an economic justice? If the industrialisation is not taking place in an equitable manner in all parts of the country, are we paying attention to economic justice? If we are not, if this link is missing, should we pay more attention to it or not?

I would just like to be enlightened. These are not easy questions and yet an attempt should be made, a philosophy should be there and a policy should be there to do economic justice. We cannot forget economic justice and if we forget economic justice many people in the country will suffer.

SHRI XAVIER ARAKAL: Thank you, Mr. Deputy-Speaker.

The hon. Minister of Finance was conspicuously silent on the question of import duty and its impact... (*Interruptions*)

SHRI P. CHIDAMBARAM: I said that I would deal with it along with the Finance Bill.

SHRI XAVIER ARAKAL: I know that you said so. We were patiently listening to you..

SHRI P. CHIDAMBARAM: I was not conspicuously silent. I was conspicuously eloquent in saying that I would deal with it when I deal with the Finance Bill.

SHRI XAVIER ARAKAL: It is quite true. Let it come. That is why I said, 'let me point out that point which was not highlighted in the speech of the Minister of Finance'. How is it going to affect our indigenous industry? How is it going to affect the Treasury as such? For example, let us take the reduction of import duty on copralactum products. How is it going to affect our indigenous industry's production? We would like to know the policy of the Government on that point. That is what I wanted to know and not all the details of the Finance Bill. I know that the Finance Bill is coming up. Kindly enlighten us on this.

MR. DEPUTY-SPEAKER: We can discuss all these things on Monday also.

DR. T. SUBBARAMI REDDY: I want to remind the hon. Minister of Finance about one aspect. He said that the Ford company takes six months to send a car from Bombay to Tamil Nadu. In the Budget he was silent about the concentrated priority to be given to develop the road transport system, though they have provided Rs. 800 crore. Ultimately, how are they going to achieve the best road system in India so that the transport problem is solved.

[*Translation*]

SHRI KALLAPPA AWADE (Ichalkaranji): Mr. Deputy Speaker Sir, A statement on MODVAT was made on the 3rd. Some concessions have been announced for cotton cloth and

other cloth. The hon. Minister has announced that on the duty paid in respect of cotton cloth, credit will be issued to the extent of 50 per cent while in case of other cloth, the rate will be 70 per cent. Thus, it is 50 per cent for cotton cloth and 70 per cent for other cloth.

Many people are running processing units in different States. My submission is that the proposed 50 per cent charge in respect of cotton cloth processed by these units should be raised to 70 or 80 per cent. I welcome that you have made it 70 per cent for other cloth. My request is that for the cotton cloth also it should be the same. A number of processing units in various states have closed down because of this differential. There has been a sharp reaction to this. I urge that the entitlement for cotton cloth should be equal to that of other cloth, namely, 70 per cent and necessary budgetary alterations may be made accordingly.

[English]

PROF. P.J. KURIEN (Mavelikara): The Minister of Finance has addressed most of the concerns and he has mentioned about infrastructure specially. He has certainly given adequate importance to that. I would like to know what his plans are to cover the disparity in the development of infrastructure between the various States? I want to know this because investment will not come in to the States unless there is development infrastructure. One of the reasons why investment is concentrated in only some States is that infrastructure development is not there in all States. If you just give a general push, again, those States which are better developed in infrastructure would be developed more and those which are backward would be lagging behind. I would like to know whether he has got some plans to bridge this gap in development of infrastructure between various States so that we have what is called 'economic justice'.

Secondly, I congratulate the hon. Minister for his emphasis on science and technology, especially for the encouragement that he would like to give the scientists for the very commercial rupee they make. Well, I would like him to kindly note that whatever research and development takes place in this country is confined to the Governmental agencies.

The private sector does not spend anything at all. If at all they spend anything, it is only a fraction of their income. In most of the developing countries and also in the developed countries, the private sector spends a lot on Research & Development. There should be some effort to encourage the private sector to spend more on Research & Development. This is needed for national development, especially in this period of competition. I would like to know whether you have got some plans for this.

DR. ARUN KUMAR SARMA (Lakhimpur): Mr. Deputy-Speaker, Sir, I must congratulate the hon. Minister of Finance

for his statement on the basic philosophy and the basic principles on which the present Budget proposals were formulated. But there was one lacuna in his statement and that was, he did not mention as to how the Ministry of Finance is going to deal with the regional imbalances. I agree with the former Speaker when he said that some areas are already developed and some areas remain backward since long.

Now, if this present Budget is applied as a whole, definitely the backward areas would remain backward. There were some incentives like the zero tax benefit, transport subsidy etc., for the development of industries in certain backward areas. But this Budget has withdrawn all those benefits which were there earlier. We do not notice any proposal in the present Budget to give more incentives to the backward areas to enable them to come at a par with the developed areas.

Some of the schemes which are envisaged to give social justice to the backward areas cannot be implemented because of lack of infrastructure, geological situation and due to other problems like flood. Unless and until there are some special programmes for these areas, these areas cannot develop and especially the North-Eastern States cannot come on par with the other parts of the country... (Interruptions)

[Translation]

MR. DEPUTY-SPEAKER: No, No. This will turn it into a debate.

SHRI S. P. JAISWAL (Varanasi): I want to draw the attention of the Finance Minister to the aspect of economic justice also, along with social justice. You must look into that aspect too. The economic situation in Uttar Pradesh is very serious. Allocations made for rural development there should have some relation to the population of the State and the number of people living below the poverty line. The Finance Minister should see whether justice has been done on this score. Allocations for veterinary hospitals, health centres, junior schools, wells, unemployment eradication etc. are made on the basis of population, and it must be examined whether this criteria has been followed in the case of Uttar Pradesh.

MR. DEPUTY-SPEAKER: Please do not make a speech, only ask your question. Otherwise, it will become a debate.

SHRI S. P. JAISWAL: There should be economic justice also. The large size of the State should not work to its disadvantage. It should be allocated more money as compared to the other States. The situation prevailing there at present reflects neither social justice nor economic justice. Therefore, I want that greater attention be paid to the State and request the Finance Minister to reply to my point.

MR. DEPUTY-SPEAKER: The Finance Minister may please reply. The debate is becoming lengthy.

[English]

Do you want to reply to them?

(Interruptions)

SHRI P. CHIDAMBARAM: No. I will reply to them when I reply on the Finance Bill. ... (Interruptions) Sir, I wish to make the announcement regarding Andaman & Nicobar Islands and Lakshadweep.

[Translation]

MR. DEPUTY-SPEAKER: The reply has come without your speaking.

[English]

SHRI P. CHIDAMBARAM: I was waiting for him to come. He was not present here and therefore, I did not announce at that time. When I saw him coming, I thought I would announce it. Sir, there have been complaints that even in the Plan schemes, we were not allowing the local administration to either create a post or to fill a post.

The reason why there is a distinction between Andaman & Nicobar Islands and Lakshadweep on the one hand and Pondicherry on the other is that Pondicherry has its own Consolidated Fund; and there is some technical rule which stands in the way. But nevertheless, I am happy to announce this We will now - while approving the Plan scheme, even in that approval - grant approval for post to be created so that they need not come to us again for the creation of the post

I am also happy to announce that we will delegate to the Administrator in the first instance, the power to create and fill posts in Groups C and D. ... (Interruptions)

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands): What about Groups A and B? ... (Interruptions)

SHRI P. CHIDAMBARAM: I will examine that later. That is all that I can do now. ... (Interruptions)

[Translation]

SHRI BRIJ BHUSHANTIWARI (Dumariaganj): About M.P. Local Area Development, you had said that you will increase the amount by Rs. 2 crores. What have you done about it? (Interruptions)

[English]

SHRI P. CHIDAMBARAM : That matter has been left to the hon. Speaker and we will abide by the hon. Speaker's decision, after consulting them.

17.28 hrs.

COMPULSORY EDUCATION BILL

[English]

MR. DEPUTY-SPEAKER: Now we will take up item no. 46 of the Private Members' Legislative Business.

Shri Sukdeo Paswan

...

Not Present

Shri Nawal Kishore Rai

[Translation]

SHRI NAWAL KISHORE RAI (Sitamarhi): Mr. Deputy Speaker, Sir, I thank you for the opportunity given to me to speak on this Private Member's Bill. I want to congratulate the hon. Member Shri Subbarami Reddi for bringing such a salutary legislative measure before the House. The Bill seeks to provide compulsory education. The data given in the report of the sample survey shows that 52 per cent people in our country are literate. However, this 52 per cent is only the literacy figure; I believe that the number of those who can be called educated is only 18 per cent of the literate 52 per cent, only 18 per cent have been able to become educated and there is regional disparity in the expenditure incurred on education. The hon Minister of Human Resource Development is present in the House. I want to draw the attention of the Government to the fact that while per capita expenditure on education in Uttar Pradesh, Bihar and Madhya Pradesh ranges between Rs. 96 and 113, in Karnataka and Kerala it is between Rs. 160 and 184 this regional imbalance should be bridged. So long as we do not raise per capita expenditure on education in the most backward states of the North namely, Uttar Pradesh, Madhya Pradesh and Bihar - which are educationally the most backward in relation to their area and population - we cannot make education available uniformly to all.

Sir, the Government have been talking of universal education and has fixed the objective of literacy for all by the year 2000. No doubt, the number of primary schools in the country has gone up from 2.29 lakhs in 1950-51 to 5.73 lakhs today, but the Government should also look into their condition. An objective survey would reveal that more than half the schools are without land or building and do not have even the facility of black-boards. On the other hand, the private educational institutions impart education with chairs arranged on carpets due to which their educational expenses are high. The number of such aristocratic educational institutions is increasing. The children of poor people cannot go to these institutions. That is the reason for introducing this Bill. It is necessary to make primary education uniform throughout the country. I welcome the Government's decision to give first priority to primary education among its basic minimum programmes. The hon. Minister had convened a conference of the State's education ministers with the purpose of introducing uniform education throughout the country where

he announced substantial increase in expenditure on primary education. We welcome this announcement. At the same time, I would like to say that education upto the 12th class should be made free. Only then the children of the poor can become educated.

According to the report of a sample survey sponsored by the Government, while the number of schools in the country has gone up, the number of students in various classes has been going down. In the category of class I to class V, 63 out of 100 students continue, the rest drop out. In the category of Class I to VIII, only 47 out of 100 students continue their studies. In this context, if we look to the year 2000, the situation will be different from what we have assumed. Until and unless we bring about changes in our policies, the Government's dream of education to all by 2000 A.D. will not materialise. That is why we wish to emphasize upon the Government that education upto the 12th class should be made free and uniform. This is very important. There should be a check on the increasing number of schools in the private sector, catering only to the rich, where the annual expenses including boarding touch Rs. 50,000. Efforts should be made to check privatisation of schools. The Government should take initiative in this. Whether they are people's representatives, Government officers or social workers, children of all cities should receive similar primary education in the same kind of schools; then alone we would be able to bring improvement on our education front.

Sir, It is a very important bill. In our country the literacy figure is 52 per cent, however only 18 per cent out of them are able to get proper education. Therefore, through you I would like to say that we should have a detailed discussion in this regard and should have compulsory and uniform education upto 12th Standard.

Sir, I want to raise a very important issue. The kind of education that we impart in our country is only leading to an increase in the number of the unemployed. Nearly 3.79 crore people are registered on the employment exchanges, even when all the unemployed are not able to get their names registered. The actual number of the unemployed may be twice this figure. A good number of educated unemployed in our villages is not able to get their names registered in employment exchanges. Our education is not employment-oriented. We should change our policy and make the education systems employment-oriented.

Nearly 11 per cent of our population subsists on handicrafts. They are working as potters, black-smiths, basket-makers, carpet weavers and so on. The children born to these 11 per cent small rural craftsmen are not able to go to school because they have to help their parents in their vocations.

Sir, I want to suggest to the hon. Minister of Human Resource Development, who is present here, to include handicraft in our curriculum. It is the poor living in the villages constituting 11 per cent of our population who depend upon

handicrafts. Recently, there has been a good deal of talk in America and elsewhere that children should be banned from working in professions like carpet making. It is necessary that the children of these 11 per cent of our craftsmen who are engaged in vocations like carpet making, black-smithy, pottery, weaving etc. are affiliated into a system of education which is employment-oriented. A Handicraft University should be set up in the country which may confer all degrees up to M.A. and cater to the handicraft needs of these children through a system of employment-oriented education.

Sir, I am in charge of a youth organisation. Recently, we had organised a conference in which the Minister of Human Resource Development was also invited. We had drawn his attention to the need of setting up a Handicraft Arts University. Today, when I have an opportunity to speak in the House, I want to draw his attention to this question and request him to announce the establishment of a Handicraft Arts University for providing employment-oriented education. At the same time, I would like to say that the question of linking education with employment needs to be debated widely. The earlier youth policy, comprising one or two pages, does not speak of employment-oriented education and should be changed. I want to request the hon. Minister that national consultation should be held with all the youth organisations for formulating a new policy on youth and making education broad-based and employment-linked.

I am the President of the youth Janata Dal. There are youth organisations belonging to other parties also. Representatives of these youth organisations, student organisations, university unions and columnists writing on youth and students should be invited to this national consultation. Independent people and N.G.Os. who have been expressing concern on the future of our youth and students, should also be consulted and a new youth policy based on a consensus should be announced. As provided in the Bill brought forward by Shri T. Subbrami Reddy, education upto the 12th Standard should be made uniform and compulsory.

Sir, I urge the hon Minister to set up a Handicraft Arts University and introduce uniform and compulsory education upto the 12th standard. I also request him to announce a new youth policy soon so that education may be linked to employment. With these words, I conclude and thank you for giving me time to express my views.

SHRI RASA SINGH RAWAT (Ajmer). Mr Deputy Speaker Sir, I welcome the Compulsory Education Bill, 1996 brought forward by Dr. T. Subbrami Reddy and thank him that he has raised before the House the issue of compulsory education. But I am sorry to say that the assurances given by the framers of our Constitution for making primary education free and compulsory remain unfulfilled even after 50 years. There could not be a greater fallacy perpetrated by our rulers on the people of the country. Even if it is conceded that ours is a big country with a huge population, had proper attention been given to primary education from the very beginning, the situation that

prevails today of our country being amongst the least literate countries would not have developed. This makes our heads bow in shame. Shri Reddy in his Bill has raised the age of compulsory education from 14 years to 16-18 years and made education compulsory upto the 12th standard. I want to submit that it is better to emphasize on compulsory education for the age group of 6 to 14 in the first instance. Later on, the sphere could be widened. It would have been better to provide for making the 10+2 system compulsory at first. Otherwise, there is a danger of our ambition being reduced to a mirage.

We feel happy to note that for the first time the limit of 3 per cent allocation for education in the budget has been crossed and efforts are being made to take it to 6 per cent, though I would like to point out to the hon. Minister of Human Resource Development that even 6 per cent would be grossly inadequate. The allocations for education cover university education, technical and engineering education, senior secondary education, education in Central schools and Navodaya Vidyalayas, Sanskrit education, assistance to Gurukuls, adult education, National Literacy Mission etc. How much is then left for primary education? Although you are claiming 50 per cent literacy the reality is different. Go to the villages and see the position of the primary education there. The roofs of primary schools are leaky. There is one room for five classes and if there are, say, 20 students in each class, you can imagine the situation. Many children have to sit under the trees. When it rains or it is cold, a holiday is declared. How can the children study in these circumstances? While I welcome the Compulsory Education Bill of Shri Reddy, I submit that first of all, free and compulsory primary education for every one in the age group of 6-14 should be introduced. After achieving that goal, we should try to reach the goals for middle, secondary and senior secondary education in that order.

"Mata Shatru, pita berrey,
yen putro na pathitam".

It has been said in our *Shastras* that the parents who do not provide education to their children are their enemies.

"na shobhate sabha madhye,
hans madhye bakoyata".

It has also been said that just as a stork is out of place in the flock of swans, so is an illiterate person in the society. Education leads a person from animality to humanism, from darkness to light, from falsehood to truth. With what aim do we impart education? Is it for the sake of education, or for the educational institutions, or for inculcating humanism, or for building character, or for development of personality? Looking at the state of our education, I am reminded of an urdu couplet.

"Nikle hein kahan jane ke Jiye,
Pahuchenge kahan malum nahin,
In raahon mein bhatakne valon ko
Manjil ka nishan malum nahin"

There has been a considerable increase in the number of the educated—those who have acquired degrees or diplomas from I.I.Ts or Polytechnics in various disciplines like electrical, mechanical or civil engineering. But many of them have become welders or mechanics. Many others are jobless. A large number of B.A.s and M.As are on the road for absence of employment. Their names are registered on employment exchanges. Hundreds of applications are received for every vacancy. Who is responsible for this state of affairs? Resources and education should have been provided according to the need at different levels. Compulsory primary education should have been imparted for refining the quality of human life for making the worldly life more practical and meaningful. But no attention was paid to this basic requirement.

A number of commissions have been constituted since 1951 namely, Radhakrishnan Commission, Mudalia Commission, Kothari Commission, Ishwar Bhai Commission and Rama Murthy Commission for determining a new education policy. There have been a number of Committees also. Inspite of all that, our leaders, small and big, have been advocating fundamental changes in our education policy. When and how will this change be brought about?

A system of basic education on the principles propounded by Mahatma Gandhi was once initiated. But what happened thereafter to the vocation based education, child education and teachers' training education?

Ministers belonging to Bihar are sitting here. Yesterday, the country celebrated Teacher's Day. Prominent teachers of the country were honoured by the President in Delhi and by the Governors in the States. Representatives of 15,000 teachers from Bihar came to Delhi. They held demonstration at Jantar Mantar with bare minimum clothing on their bodies because they had not been paid their salaries for the last 4 or 5 years. Such a demonstration has never taken place. In a country where such is the plight of the teachers.....
(interruptions)

SHRI RAM KRIPAL YADAV (Patna): How can they get salaries when they are not Government servants?

PROF. RASA SINGH RAWAT: Under whosoever they come—even if they are teaching in non-Government educational institutions, it is also a responsibility of the Government because they are helping the Government in its mission. Before independence, it were in fact the non-Government educational institutions that had produced freedom-fighters. The Government schools were merely producing black Englishmen to run the administration for the white Englishmen. The private educational institutions set up by our great men — like the Gurukul Kangri set up by Swami Shraddhanand, or schools and *ashrams* set up under the inspiration of Swami Vivekanand or Mahatma Gandhi in Wardha, Sewagram or Sabarmati, or institutions for education started by thinkers and patriots like Jai Prakash Narayan,

Acharya Narendra Dev and Rabindra Nath Tagore — these have rendered yeoman service to the country. It is the duty of the Government to give them subsidy because they are assisting the Government in its mission. You do not have the funds to construct school buildings. Your school buildings are leaking, whether they are primary schools, middle schools, secondary schools or senior secondary schools. The private schools provide better education than the Government schools. Parents now-a-days want to send their children to some good private schools, which are known as public schools. Who is responsible for this? The responsibility lies with the Government, with those who lay down our education policy.

Sir, discrimination prevailing in the field of education in our country must be ended. We have, on the one hand, the village students who do not have playgrounds & teaching materials in their schools and have to sit on the ground, on the other hand, there are public schools with air-conditioned rooms and all other facilities. Students of both these categories have to appear in the same competitive examinations. Government should take the responsibility for making arrangements for their food, school paraphernalia, reading material and uniform. It will be a tall talk to speak in terms of compulsory education upto secondary or higher secondary levels, but I would request the hon. Minister of Human Resource Development, Shri Bommai, to at least announce in the House after this Debate that we will achieve the target of primary education to all in the country by the year 2000. Literacy campaigns are going on in the country, but I know very well the real position in the villages. I come from a district which had the distinction of being the first to achieve 100 per literacy in the northern India. Ajmer, which is the heart of Rajasthan, has achieved cent per cent literacy and the post-literacy campaign is now going on there. But at the time of elections when the voting took place, 70 to 80 per cent of the voters put their thumb-impressions instead of signing the papers. We have been spending huge amounts of money on making them literate.

MR. DEPUTY SPEAKER: The time allotted to this Bill is over. It can be extended with the permission of the House.

AN HON. MEMBER: Please extend it.

MR. DEPUTY-SPEAKER: All right. The time for this Bill is extended by one hour.

[English]

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI S.R. BOMMAI): Mr. Deputy-Speaker, Sir, I have some other engagement. Can we take it up on the next Friday?

MR. DEPUTY-SPEAKER: That will be done after six o'clock.

SHRI PRABHU DAYAL KATHERIA (Ferozabad): It is going to be Private Members' Resolutions on the next Friday.

SHRI P.R. DASMUNSI (Howran): Mr. Deputy-Speaker, Sir, there was a decision by the House today that the hon. Finance Minister will be allowed to speak provided the Private Members' Business is not encroached upon, and the full time is allowed for transacting the Private Members' Business.

That was the decision taken while the hon. Minister of Finance was being allowed to reply.

MR. DEPUTY-SPEAKER: I was informed by the hon. Speaker that there will be no extension beyond six p.m.

SHRI P.R. DASMUNSI: Then we presume that the Private Members' rights are taken away.

MR. DEPUTY-SPEAKER: I was told that at six p.m. the House has to be adjourned.

[Translation]

SHRI PRABHU DAYAL KATHERIA: The decision was that time will be extended so as to enable the Private Members to make their submissions.

MR. DEPUTY-SPEAKER: It will be taken up on the next occasion on Friday.

[English]

It may be taken up in the next session. You please continue. Please let him speak.

.... (Interruptions)

[Translation]

MR. DEPUTY-SPEAKER: I have said that the discussion will continue till six p.m.

PROF. RASA SINGH RAWAT: When defining education, it is said that education is an all round, integrated, well-balanced development of the personality of the child.

[Translation]

Are any efforts being made to achieve this goal of education? There is now-a-days a mushroom growth of English medium schools which can be found in every street, but which are no more than education shops with a tie culture. I want to request the Minister of Human Resource Development to stop this commercialisation of education.

These education shops exploit the parents by charging capitation fees and by various other methods. Some check must be put on them. Primary education should be imparted through the medium of the mother tongue. But the education is being given there through English medium. When the delicate minds of children inculcate a bias for superiority of English from the very start, how can they imbibe the culture that produces patriotism, moral values, character and love for the country? This why I am emphasising that the Government should direct its attention to this issue. If the primary, middle, secondary and senior secondary education is a state subject, the Central Government should send instructions to the States to the effect that while sanctioning assistance or giving recognition to these institutions, they should verify that these institutions fulfil all norms in respect of the number of staff, their salaries, facilities of proper rooms, library and playground etc. Recognition should be given when all facilities for students are available in the school. In our present system, only bookish and theoretical and not practical education is imparted to the students as a result of which they develop a mentality which makes them scorn at the dignity of labour and strive for becoming clerks enjoying the facility of fans over their heads. It is the duty of the Government to put a stop to this state of affairs. We should also not forget the disabled and the deaf and dumb for whom special schools need to be opened. When Navodaya Vidyalayas were set up, they kindled a hope that they will bring to the fore the talent the rural areas and prepare them for competition on the public school pattern. But the condition of the hostels of these Vidyalayas has become

deplorable. There are complaints about the quality of food served. There is shortage of teachers also. The hon. Minister must have received such complaints. Whether they are Navodaya Vidyalayas or Central Schools coming directly under the Central Government or demonstrator schools of NCERT or schools under Regional College of Education in Ajmer, many of them do not either have adequate number of teachers or the teachers are appointed on quarterly basis. The result is that the objects for which these institutions were set up remain unfulfilled.

18.00 hrs.

Therefore, while I support the compulsory Education Bill and commend the ideas propounded in it. (*Interruptions*) Sir, I have to make many points.

MR. DEPUTY SPEAKER: You may continue in the next session.

[*English*]

The House stands adjourned to re-assemble on Monday, the 9th September, 1996 at 11.00 a.m.

18.00 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, September 9, 1996/Bhadra 18, 1918 (Saka)
