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Friday, November 29, 1996

Agrahayana 8, 1918 (Saka)

LOK SABHA DEBATES **(English Version)**

Third Session
(Eleventh Lok Sabha)



(Vol. VI contains Nos. 1 to 10)

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(English Version)

Friday, November 29, 1996/Agrahayana 8, 1918(Saka)

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LOK SABHA

Friday, November 29, 1996/Agrahayana 8,
1918 (Saka)

(The Lok Sabha met at Eleven of the Clock)

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[English]

Coal Washeries

*121. SHRIMATI SHEELA GAUTAM :

SHRIMATI BHAVNA BEN DEVRAJ BHAI
CHIKHALIA :

Will the Minister of COAL be pleased to state :

(a) whether the Government have constituted a committee, namely, 'Integrated Coal Policy' under the Chairmanship of Shri K.S.R. Chari, former Secretary, Coal, to review the performance of coal washeries under the Central Coal Washeries Organisation;

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

(c) whether the Committee has submitted its report;

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

(e) the action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). Planning Commission had constituted a committee to formulate an integrated coal policy under the Chairmanship of Shri K.S.R. Chari. The composition of the Committee and its terms of references are given in the statement-I enclosed.

(c) to (e). The Committee has since submitted its report to the Planning Commission. The report of the Committee is under consideration of the Government. The major recommendations of the Committee are given in the Statement-II enclosed.

STATEMENT-I

The composition of the Committee was as follows :

- | | | |
|---|---|----------|
| 1. Shri K.S.R. Chari, former Secretary (Coal) | - | Chairman |
| 2. Secretary, Ministry of Power | - | Member |
| 3. Secretary, Ministry of Coal | - | Member |
| 4. Secretary, Ministry of Steel | - | Member |

- | | | |
|--|---|------------------|
| 5. Member (Transportation) Railway Board | - | Member |
| 6. Chairman, Coal India Ltd. | - | Member |
| 7. Chairman and Managing Director, National Thermal Power Corporation. | - | Member |
| 8. Shri R.G. Mahendru, former Chairman, Central Mine Planning & Design Institute Limited | - | Member |
| 9. Adviser (Energy), Planning Commission | - | Member Secretary |

The Committee was to address the issues for an Integrated Coal Policy for adoption by the Government in the Ninth and Tenth Plan periods. The terms of reference of the Committee were as follows :

A. Broad assessment of demand for coal (coking and non-coking) and Lignite for different sectors of the economy in the Ninth and Tenth Plans periods (1997-2007).

(i) Power Sector

- Power Ministry's estimation of capacity additions with different fuels in power sector for Ninth and Tenth Plans (1997-2007).
- Evaluation of relative costs for thermal power generation with different fuels at different representative locations including at pitheads and load centres.
- The techno-economics of exercising least-cost options in the choice of deshaled/beneficiated indigenous coals vis-a-vis imported coals/natural gas/other fuels for power generation, based on delivered price per heat unit and its impact on plant performance and costs of generation, apart from the angle of security of supplies and environmental pollution.
- New and emerging clean coal technologies for power generation and the scope for their adoption in the Ninth and Tenth Plans.

(ii) Steel Sector

- What new and emerging technologies for steel making are under implementation-introduction of Coal Dust Injection, Partial Briquetting, Formed coke etc. Making use of non-coking coals—so as to reduce dependence on coking coal? What is the scope of their adoption in the Ninth and Tenth Plan periods?
- How does the Steel Sector view the performance of Coking Coal Washeries with particular reference to the quality and quantity of supplies of washed coal to the

Steel Plants? Have the Steel plants availed of all possible technological innovations, including improvement in the quality of input of raw materials other than coal?

- (c) Is the performance of captive collieries (TISCO's) optimal, having regard to the reserves held by them?
- (d) What are the pros and cons of use of imported vis-a-vis indigenous coals for steel making and the implications of imports on the Coal/Steel producers in terms of their commercial interests and the interest of the country?

B. Review of Resources and Availability of Coal and Lignite in the period in the Ninth and Tenth Plans 1997-2007) as made by CMPDI/NLC etc. and their adequacy or otherwise to meet the demands.

- (a) Approach necessary for ensuring an optimal mix of exploitation of coal through 'open cast' and 'underground' mines for meeting the potential demand.
- (b) Identification of optimal transportation modes (railways, roads, inland waterways, etc.) for supplying coal to different consumers and availability and augmentation requirements of the infrastructure facilities; strategies necessary for promoting an optimal mix.
- (c) Environmental issues related to production and utilisation of coal.

C. Investment and related Issues.

- (a) Broad estimate of the investments needed for production of coal, lignite, beneficiation and augmenting infrastructure/transport facilities for meeting the projected demand for coal by 2006-07; adoption of an appropriate policy package so as to attract private investment including from existing and potential customers both in the private and public sector.
- (b) Identification of factors responsible for the steadily rising costs to the coal consumer through frequent increases in pithead prices, apart from increases in the rates of royalty, railway freight etc.; strategies to overcome low productivity, high production costs, delays in sales realisation, accumulated losses and lack of consumer satisfaction; study of the need for restructuring the coal industry including issues relating to greater autonomy, removal of existing price and other controls, disbanding cross-subsidisation through CPRA and exposing the entire organisation to market-based competition;
- (c) Regulatory measures necessary for promoting appropriate mining practices, for

adoption of necessary environment management measures and for safeguarding consumer interests.

D. Any other issue in relation to above.

STATEMENT-II

Major recommendations of the Committee.

- (1) An independent agency at central level be created to step up exploration of coal and lignite resources. Adequate financial resources be made available to this agency to be raised through a surcharge levied on coal and lignite produced in the country. Exploration be done through public and private sector, both Indian and foreign, on a contract basis.
- (2) All new coal and lignite blocks be offered on the basis of competitive bids in which national coal companies and private sector can participate. These can be allotted on the basis of criteria such as minimum transfer price, minimum recovery percentage etc. which need to be evolved. The developer of the mine be free to charge any price from the consumer on the basis of negotiations without reference to the administered prices.
- (3) De-regulation of remaining prices of coal be undertaken in a phased manner.
- (4) An autonomous regulatory body be set up to resolve price disputes between producers and consumers.
- (5) Holding company approach be given a fresh look and each subsidiary of Coal India Limited be given the status of an independent company after price deregulation and other reforms are undertaken.
- (6) Certain exemptions, from the notifications issued under Contract Labour (Regulation & Abolition) Act 1970, be given to the coal industry for it to become competitive and to reduce the investment requirements.
- (7) Better utilisation of the washery capacity.
- (8) Increasing domestic production of coking coal and washing of low volatile medium coking coals.
- (9) Streamlining the procedure for release of forest lands for coal projects.
- (10) Adoption of new technologies and more efficient utilisation of coal by the power and steel sectors.
- (11) Locating new power stations at pithead, better exploitation of lignite resources in the country.

- (12) Reduction in duty on import of coal.
- (13) Creating additional rail and port capacities to facilitate transportation and import of coal.
- (14) Increased washing of non-coking coal.
- (15) Consider amendments in Coal Bearing Areas (Acquisition and Development) Act 1957 to allow acquisition of surface rights where underground mining is or has been undertaken.

[Translation]

SHRIMATI SHEELA GAUTAM : Mr. Speaker, Sir, I would like to know from the Hon'ble Minister the time since when the report of the Committee is under consideration of the Government and the reasons for delay. Whether the Government intends to lay this report on the Table of the House in the current session.

SHRIMATI KANTI SINGH : The Chari Committee Report has not been prepared by my Ministry but by the Planning Commission and it has already been laid in the Parliament. If you wish, you will get a copy. So far as its implementation is concerned, the recommendations of the Committee will have far-reaching impact on the coal industry and that is why, the report is still under consideration of the Ministry.

SHRIMATI SHEELA GAUTAM : By when the process is expected to be completed? It is already under consideration but whether the Government proposes to lay it on the table of the House?

SHRIMATI KANTI SINGH : No time-limit should be fixed for it as it can affect the coal industry. It is concerned with various Ministries so it is difficult to make any commitment in this regard.

SHRIMATI SHEELA GAUTAM : My second supplementary is that the reply given by the Hon'ble Minister to this question is not satisfactory. I would like to know that under the main recommendations mentioned in Annexure-II, what provision has been made by the Government for insurance coverage of the labourers working in the underground coal mines and whether this point has been included in the report of the Committee or not?

Secondly, I would like to know the number of machines in coal washeries presently out of order and the time by which the Government propose to repair them.

SHRIMATI KANTI SINGH : We have 19 coal washeries under B.C.C.L., C.C.L. Besides, 15 washeries are under C.I.L. and 4 washeries under SAIL and TISCO. Bharat Coking Coal washeries are in Bujhudi, Dughdha-1, Dughadha-2, Monidih, Sudamadih, Paathardih etc. and those of Central Coal Field Ltd. are in Kargali, Gidi in Kathara and in Swang etc.

[English]

SHRI SONTOSH MOHAN DEV : Mr. Speaker, Sir, you can reply because you know the subject.

[Translation]

SHRIMATI KANTI SINGH : Two coking coal washeries of C.I.L. are being set up in Madhubandh and Kedla and capacity of these units would be 2.33 Tonnes per year. The construction work of these washeries is expected to be completed by next year. So far as the insurance coverage is concerned, there is no such provision at present.

[English]

MR. SPEAKER : Shri Sontosh Mohan Dev.

SHRI NIRMAL KANTI CHATTERJEE : He is participating every day and more than once.

MR. SPEAKER : Not more than once.

(Interruptions)

SHRI SONTOSH MOHAN DEV : Sir, if he is so unhappy, I will sit down. Shall I?...(Interruptions)

SHRI NIRMAL KANTI CHATTERJEE : I hope you will soon be answering as well as asking the questions ... (Interruptions)

SHRI SONTOSH MOHAN DEV : All right. Sir, the Ministry of Steel, the Ministry of Power and the Ministry of Railways are all suffering on account of bad quality of coal, the reason being that most of the coal mines do not have washeries. Two or three of them have washeries but they are in a very deteriorating condition. But what is the Report of the Committee besides that?

In view of the changed policy of mining and other things done by the previous and the present Governments, you can provide washeries to the coal mines or captive mines to the Ministry of Steel, Ministry of Power and others. I would like to know whether the Ministry is considering this aspect or not. There is a cause in your Ministry which does not want it. As a result, foreign materials are coming along with coal. So, I will put a very simple question to the hon. Minister. Of late, is there any change in the mind of the Ministry to adhere to the policy of the Government? I would also like to know whether the Ministry is considering to see that by private investment or investment from your Coal Ministry washeries are made up-to-date and better quality coal is supplied with better management.

The Ministry of Steel wants to take it up but the Ministry of Coal does not want to give. I do not know why there is no increase in the number of washeries. Shri Chidambaram has just now come from Japan. He knows, what is the quality of coal which Japan is getting from Australia. We cannot compete with them.

SHRI NITISH KUMAR : You were the Minister of Steel and the present Speaker was the Minister of Coal...(Interruptions)

SHRI SONTOSH MOHAN DEV : Even this time he tried but failed.

[Translation]

SHRIMATI KANTI SINGH : The hon'ble member has told about washeries. If the Minister of Steel wants that we should give these washeries to them then he can take them over...(Interruptions)

MR. SPEAKER : It does not happen.

SHRIMATI KANTI SINGH : In fact, this was the situation prevailing earlier. During Nationalisation, these were taken over. If the Minister wants to take them over...(Interruptions)

[English]

SHRI SONTOSH MOHAN DEV : Anyhow, I am happy that your mind is for that. When the Minister wants it, it can be done.

SHRI NIRMAL KANTI CHATTERJEE : Even when he is no longer the Minister of Steel, can it be done?

SHRI SONTOSH MOHAN DEV : The time is not far away.

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Chairman, Sir, Chari Committee was constituted. The committee was asked to give its recommendations regarding formulation of an Integrated Coal policy for the Ninth and Tenth Five year plans. It had submitted its recommendations to the Government. How does the Government propose to implement the recommendations of Chari Committee during Ninth and Tenth Five year plans? Whether any meeting has been held with the Planning Commission in this regard?

SHRIMATI KANTI SINGH : The Chari Committee had submitted its report to the Planning Commission on 14th May. It was received by our Ministry in September. So far, we have held no meeting with the Planning Commission.

SHRI THAWAR CHAND GEHLOT : The Ninth Five Year Plan will commence from April' 1997. Very little time is left. What are you doing in this regard as these recommendations will have to be implemented in the Ninth and Tenth Five year plans.

SHRIMATI KANTI SINGH : As I have already told, we are considering it very seriously. At the moment, I can say nothing more.

PROF. RITA VERMA : Mr. Speaker, Sir, the report of Chari Committee is very comprehensive. Discussion is also going on for formulating a comprehensive coal policy. When I was going through it, I found that attention has been paid to the environment issue. Environmental issue is very important for my constituency, Dhanbad because subsidence has posed a great danger to the people of Jharia. However, much has not been mentioned in it about environmental aspect. It is worth considering that if the work of coal mining is done and there are underground mines then under the conditions

laid down in this regard the Coal Companies should have left the mines as it were after stocking, but it does not happen. When there was a danger of subsidence in Jhansi, people started leaving their homes. It was after their exodus that your people were seen completing the formalities by installing wooden poles and bamboos there. They had already made arrangement for it. People have complained that as per the versions of B.C.C.L. authorities, they were not taking up mining work in those areas where there was more subsidence because one S.D.L. machine, which had been entrapped in that area was found under a house. It show that mining was being done there. Will a comprehensive inquiry be ordered into the fact that how far the policy declared in regard to environmental Control and subsidence is implemented and to what extent they give wrong statements?

SHRIMATI KANTI SINGH : The hon'ble Member has demanded investigation into this aspect. I shall get an inquiry conducted into it.

Financing Deficit

+

*124. SHRI VIJAY PATEL :

SHRI ANNASAHIB M.K. PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have been getting financial support from the Reserve Bank of India to meet their annual financial deficit;

(b) if so, the details thereof;

(c) whether a proposal to fix a limit on the above financial support is being considered by the Government to ensure better control of the R.B.I. over money supply; and

(d) if so, the details thereof and the benefits to be accrued therefrom?

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

STATEMENT

Government of India has been borrowing from the Reserve Bank of India through issue of ad hoc Treasury Bills for meeting its budgetary deficit. Upto 1993-94 there was no limit on such borrowings. The year-end limit for issue of such ad hoc Treasury Bills in the current financial year is Rs. 5000 crore.

An agreement was signed in September, 1994 to gradually phase out this system by 1996-97 as a measure of fiscal discipline and to enhance the flexibility of monetary policy conducted by the Reserve Bank. A detailed scheme for the implementation of the agreement is under consideration.

[English]

SHRI VIJAY PATEL : Sir, I want to know from the hon. Finance Minister, what is the amount borrowed by the Central Government from the RBI in the current year?

SHRI P. CHIDAMBARAM : Sir, the final figure will be known only when we prepare the Revised Estimates at the end of the year. The Budget Estimates, for *ad hoc* Treasury Bills and 91 Days Bill is Rs. 6578 crore. We hope to remain within that limit.

SHRI VIJAY PATEL : It has been said in the reply that the limit will be maintained at Rs. 5,000 crore. What are the reasons for this? According to our information, because of the bonus given to certain category of Central Government employees, this budgetary deficit has been increased. I want to know from the hon. Finance Minister whether it is a fact.

SHRI P. CHIDAMBARAM : Sir, expenditure under one head cannot be directly related to the budgetary deficit. Expenditure takes place under several heads.

Now, the additional expenditure as a result of the removal of bonus ceiling for Group 'C' and Group 'D' employees has been estimated to be about Rs. 220 crore. But most Departments have been required to find these funds from within their budgetary allocations. The amount of Rs. 220 crore is indeed an additionality. It will have an impact on the budgetary deficit. But if the expenditure is controlled under some other head, we hope to remain within the estimates of the budgetary deficit indicated in the Budget Estimates for 1996-97 which is Rs. 6,578 crore.

SHRI SANAT MEHTA : Sir, up to 1993-94, there was no limit on such borrowings. May I know from the hon. Finance Minister, what the borrowings were after this limit was laid down, in respective years, viz., 1994-95 and 1995-96?

SHRI P. CHIDAMBARAM : Sir, as you know, an agreement was signed between the Reserve Bank of India and the Government on 9th of September 1994, to phase out the system for *ad hocs* by 1996-97. The net *ad hocs* at the year-end were assumed to be Rs. 5,000 crore and within the year the limit is assumed to be Rs. 9,000 crore. The year-end position of net *ad hoc* issued in the last two years was as under :

1994-95	Rs. 6,000 crore (RE)	Rs. 1,750 crore (Actuals)
1995-96	Rs. 5,000 crore (FE)	Rs. 5,965 crore (Actuals)

The year-end limit for 1996-97 is also Rs. 5,000 crore and within the year, the limit is Rs. 9,000 crore.

The net *ad hocs* as on 26.11.1996 was Rs. 8,415 crore, which is within the limit.

[Translation]

SHRI BHERU LAL MEENA : My question is that at what percentage interest is paid by the Government for the loan taken by them?

[English]

MR. SPEAKER : How much interest do you pay for the borrowings from the Reserve Bank of India?

SHRI P. CHIDAMBARAM : Sir, on market borrowings, the last issue of Rs. 2,000 crore, the interest was cut off at 13.55 per cent.

[Translation]

SHRI DATTA MEGHE : The Reserve Bank of India gives Rupees five thousand crore to meet the financial deficit, but we have huge black-money in our country. Is there any scheme to unearth the black-money so that there is no need to withdraw money from Reserve Bank of India.

[English]

SHRI P. CHIDAMBARAM : From time to time successive Governments have come up with a number of schemes to presumably channelise black money into investment and to give immunity and amnesty. The overwhelming opinion among economists whom I have spoken to - and I am not saying this is my view - is that if you give a way to legitimise black money, it will only generate more black money in the future. Therefore, while it is perhaps attractive to talk about legitimising black money, as long as people know that there is an avenue to legitimise black money, a number of economists have told me that it will only encourage black money.

SHRI SOMNATH CHATTERJEE : What is your view?

MR. SPEAKER : His view is reserved!

SHRI SURESH PRABHU : Is the Government contemplating to put a ceiling on bad debt to be raised by the Government from various quarters? There is a provision in the Constitution that it can put a ceiling on borrowing of the Government because currently as the Finance Minister himself has said one of the concerns of the Government is the rising interest burden which is presently at Rs. 60,000 crore. It is almost 46 per cent of the Government's current income. Is the Government contemplating to put a ceiling on the borrowings of the Government not only from the Reserve Bank of India in terms of *ad hoc* treasury bills, but also generally of the Government to borrow? Is the Government contemplating to retire some of its domestic debt which is now currently close to Rs. 3 lakh crore and about 94 billion foreign debt during the year?

SHRI P. CHIDAMBARAM : I will answer the questions, but these two are really questions which do not arise as supplementaries to this question. They are in fact two completely separate questions also.

On capping the Government borrowings, there is a proposal and I have instructed that we seriously consider that proposal. It is under examination. On retiring the Government debt, it is easier said than done. You can

retire Government debts only if you raise resources. These resources are required to meet current consumption. Money is fungible, whether you use borrowed resources to retire old debts or pay for current consumption. Unless you can get rid of the revenue deficit and show a revenue surplus, the question of retiring Government debts does not arise.

Violation of Customs Rules

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

(a) the number of persons arrested for violation of customs rules in the country during the last three years; and

(b) the amount of drugs, gold, silver, cash and foreign articles seized from them custom zone-wise?

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

STATEMENT

(a) and (b). During the last three years i.e. between 1993-94 and 1995-96, 3702 persons were arrested by the officers of the Customs & Central Excise for violation of Customs laws.

Information regarding seizure of drugs, gold, silver, currency and other articles is not compiled zone-wise. However, approximate quantities of drugs, gold & silver and value of currency and other foreign articles, seized from such arrested persons during the same period of three years, are given below :-

Qty. of Drugs (in Kg.)	Qty. of Gold (in Kg.)	Qty. of Silver (Indian & Foreign) (in Kg.)	Value of Currency	Value of other foreign articles (Rs. in lacs)
30751.54 +5298 Ltrs. of Acetic Anhydride	2289.44	12731.354	55,09.462	181,27.71

[Translation]

SHRI K.D. SULTANPURI : Mr. Speaker, Sir, I would like to know from the Hon'ble Minister the total amount of seizures made by the Customs officials from these persons who have violated custom laws. I would also like to know the quantity of goods lying with Customs Department and on which Custom Duty was to be collected and the Government has not been able to take a decision in this regard so far.

[English]

SHRI P. CHIDAMBARAM : I am sorry, I may not have quite understood what he is saying. He wanted to know the number of persons arrested, the amount of drugs, gold, silver, cash seized from Customs zonewise. I have given that in the answer. For the last three years I have given the quantity of gold seized, quantity of silver seized, value of currency seized and value of articles seized. What more does he want?

[Translation]

SHRI K.D. SULTANPURI : Mr. Speaker, Sir, the details of arrests have been given. I would like to know the actual position of the cases disposed of. How many cases have been finalised and how many cases are still pending with the court.

[English]

SHRI P. CHIDAMBARAM : Sir, 3702 persons have been arrested during the last three years. I do not have the information about the cases pending. I will furnish this information later. The total is 3702. I will break it up and furnish it to you.

[Translation]

SHRI K.D. SULTANPURI : In reply to my question, the hon'ble Minister has said that he will send the details but I would like to know the details of the number of cases of arrest during the last three years, the number of cases pending with court, the number of cases in which challans are to be presented and the F.I.R.s lodged with the Police alongwith the cases still pending with the police. These details should be made available because it is not clear from the information given by the hon'ble Minister as to what number of cases are pending at various stages. The information about the number of cases in which political persons were arrested should also be given.

[English]

SHRI P. CHIDAMBARAM : I have some information. I do not have information about the cases pending in courts and the year of pendency. Whatever information I have now, I will give it to you and I will furnish the remaining later. In 1995-96, 1051 persons were arrested, 259 persons were prosecuted, 153 were convicted, 313 orders under COFFEPOSA were issued and 290 were detained under COFFEPOSA. In 1994-95, 1095 persons were arrested, 760 were prosecuted, 334 were convicted, 398 orders under COFFEPOSA were issued and 385 were detained. In 1993-94, going back to three years, 1214 persons were arrested, 363 were convicted, 519 orders were issued under COFFEPOSA and 383 were detained. The information about year-wise pendency of court cases, I will give him later.

SHRI V.M. SUDHEERAN : I would like to know whether the Government is considering a proposal to

increase the incentives to the Customs officials for their meritorious work.

SHRI P. CHIDAMBARAM : Sir, today there are significant incentives. Monetary rewards admissible to officers and informers are upto 20 per cent of the value of the goods seized or the duty evaded detected. 20 per cent is a substantial incentive. We also give away Presidential awards to officers of Customs and Central Excise. There is another scheme of giving appreciation certificates for meritorious work. If the hon. Member has any suggestion about any other incentive, I am ready to look into it.

SHRI NIRMAL KANTI CHATTERJEE : Sir, other hon. Members wanted to know how many have been arrested so far. But my question is how many VIPs and VVIPs have not been arrested.

Next, I would like to know about the role of Customs and Excise officials. How many of them have been prosecuted and how much of tax has been collected from those prosecuted? I have discovered to my utter surprise that when the bank officials were involved, the Income Tax Department officers do not go to their houses, do not search and do not collect revenue. One arm does not know what the other arm is doing. How many Customs officials have been prosecuted or penalised and how much income tax has been collected from them? That is my question.

SHRI P. CHIDAMBARAM : I would require a separate notice on the departmental action against the officers because this question does not relate to action against officers.

[Translation]

SHRI BANWARI LAL PUROHIT : This issue relates to seizure of those drugs which have been imported without paying the import duty. But on the other hand, there are some cases also where imports have not been made and only bogus documents have been prepared.

Mr. Speaker, Sir, foreign exchange is remitted through Reserve Bank of India after preparing bogus documents. It is not a trivial issue but it is a scam involving Rs. 700 crore. The hon'ble Finance Minister has also accepted in his reply the figure of Rs. 542 crore involved in this scam. But as per my knowledge the amount involved increased to Rs. 700 crore later on. I have written four times to know about those who are involved in this scam but he is not ready to disclose the names of the persons found guilty. Even he is not ready to tell about the action taken against those who are involved in it. I would like to know as to why he does not want to disclose their names? Why he is not taking this House into confidence? This is a scam involving Rs. 700 crore. A huge amount of money has gone to the foreign countries. These people have looted

this money. This House has a right to know as to how and where this money has gone and who are involved in this scam?

Mr. Speaker, Sir, I have written to the hon'ble Minister three times in this regard but have not received any reply till date. I had also made a request for half-an-hour discussion on it but it was also turned down. Therefore, I request you to do justice with me and instruct the hon'ble Minister to apprise the House of it. It is an issue involving Rs. 700 crore. Who are involved in this scam? I would like to know the names of those bank officers and V.I.Ps who are involved in this scam and the Government is protecting them?

[English]

MR. SPEAKER : I do not think that it arises out of this question. This question relates to violation of customs rules and you are talking about banks.

[Translation]

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, this matter relates to FERA, custom and import of goods. This matter comes under this question. Therefore, my question is relevant.

MR. SPEAKER : No, in my opinion, this matter does not come under this question. However, if the Minister wants to give reply, he can do so.

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, this issue pertain to a scam inviting Rs. 700 crore which is the biggest scam of this country.

[English]

SHRI P. CHIDAMBARAM : Sir, if the hon. Member is talking about any specific case, then he must give me information about that case and I will furnish the reply.

MR. SPEAKER : He says that he has written three letters to you.

(Interruptions)

MR. SPEAKER : He will try to find out those letters.

SHRI P. CHIDAMBARAM : If he lets me know which case he has in mind, I will certainly reply. He writes me dozens of letters. If he tells me which case he is referring to now, I will reply to that.

On FERA seizures of foreign currency and Indian currency, in 1994 1995 and 1996, we had 1540, 1175 and 803 searches respectively so far. Indian currency seized has been Rs. 974 lakh, Rs. 1021 lakh and Rs. 802 lakh respectively and foreign currency seized, which, converted to rupees comes to Rs. 814 lakh, Rs. 541 lakh and Rs. 301 lakh respectively. The number of persons arrested is 365, 228 and 172 respectively. If the hon. Member has any particular case in mind and if he puts a question, I will certainly give a reply.

Black Money

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*130. SHRI MOHAN RAWALE :

SHRI AMAR PAL SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to amend the laws relating to search and seizure of Black Money; and

(b) if so, the details thereof?

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

(b) A Bill is proposed to be introduced in the current session of Parliament. The details of amendments will be known at the time of the introduction of the Bill.

[Translation]

SHRI MOHAN RAWALE : Mr. Speaker, Sir, through you I would like to know from the hon'ble Minister the total amount of black money in the country and the number of persons arrested and punished in this regard.

[English]

SHRI P. CHIDAMBARAM : This question relates to an amendment relating to black money. You are suddenly asking me as to how many have been arrested. You may put a separate question and I will give you an answer.

SHRI MADHUKAR SARPOTDAR : He has asked for the details thereof.

SHRI P. CHIDAMBARAM : I am talking about the details of the law which I am going to introduce in the current session of Parliament.

MR. SPEAKER : I agree with you.

SHRI MADHUKAR SARPOTDAR : He is more concerned with the persons involved in black money.

MR. SPEAKER : Mr Rawale did not expect that his question would come up today! So, he is not prepared.

(Interruptions)

[Translation]

SHRI AMAR PAL SINGH : Mr. Speaker, Sir, today 80 per cent I.A.S. officers holding higher posts who are having most of the black money in the country rather than traders and industrialists. Through you, I would like to know from the hon'ble Minister as to whether there is any provision in this Bill to seize the black money and illegal property of these I.A.S. Officers which they are having in the metropolitan cities.

[English]

SHRI RAM NAIK : Sir, now the Minister also did not expect that the question will come up for reply!

MR. SPEAKER : No, no; he has to wait for the translation!

SHRI P. CHIDAMBARAM : While there are black sheep in any organisation or any group or any fraternity, I certainly would not agree that, as a class, the IAS officers are corrupt and that they have black money. I think, that is wrong...(Interruptions)

[Translation]

SHRI AMAR PAL SINGH : I am talking about 80 per cent officers. Only 20 percent Officers are honest.

[English]

SHRI P. CHIDAMBARAM : While I will have to respect the views of the hon. Member, I would humbly submit that I completely disagree with it. I have worked with a number of officers. I think, many of them are extremely honest and they retire with great dignity keeping the honesty intact. I would not agree with that.

But certainly yes, some cases do involve IAS officers. We read about them in the newspapers. People are arrested, people are searched; I can give you the total number of warrants issued and the total number of seizures made. But I cannot name any IAS officer. As I said, this question deals with the law that I will introduce. I am willing to deal with the law. It is a major Amendment that I am introducing in this Session.

In 1993-94, 5,026 warrants were issued and Rs. 396.45 crore were seized. The average seizure per warrant was Rs. 7.88 lakh. In 1994-95, 4,830 warrants were issued and Rs. 381 crore were seized. The average seizure was Rs. 7.89 lakh per warrant. In 1995-96, 4,612 warrants were issued. Rs. 458 crore were seized. The average seizure was Rs. 9.93 lakh per warrant. From April, 1996 to October, 1996, 1,788 warrants were issued and Rs. 178 crore were seized. The average seizure per warrant is Rs. 9.95 lakh.

Therefore, it will be obvious that these are cases where we have good information. After a senior officer applies his mind, a warrant is issued. And searches have resulted in seizure of unaccounted money. At the same time, I wish to dispel the impression that we would raid everybody or we would institute a 'Raid-ra'. That is not the policy of this Government. The point that we are trying to say is that if black money is there, if information is there, if unaccounted money is there, the law has no respect for title or office or position. The law will take action against everybody.

[Translation]

SHRI SHATRUGHAN PRASAD SINGH : Mr. Speaker, Sir, I would like to know from the Government whether a parallel economy of black money is in operation in the whole country as a result of which need has been felt to amend the law pertaining to the black money?

[English]

SHRI P. CHIDAMBARAM : No, Sir, this legislation deals with Chapter 14 (B) of the Income-Tax Act. Chapter 14(B) of the Income-Tax Act was amended w.e.f. 1st July, 1995.

Now, I have discussed this with the Chief Commissioners and Commissioners. I am satisfied that the Amendment of 1 July, 1995, in its application, tends to favour the tax-evader.

Therefore, I am introducing an amendment to rectify that position so that there is no premium for tax evasion; there is no advantage in tax evasion and where searches and seizures are conducted and money is seized, this amendment will place obligations upon the person from whom the money has been seized to file a return and there will be penalties apart from the tax and interest that is due. The amendment will be introduced in this Session. I have no doubt in my mind that all sections of the House will support the amendment.

SHRI S. BANGARAPPA : Mr. Speaker, Sir, my question relates to black money which is considered to be running a parallel economy in this country for decades. We are happy to hear that at least an amendment has been thought of by the Government and the Finance Minister proposes to bring in an amendment to the existing laws in this Session of Parliament.

Sir, there was a Committee formed long back, maybe, some decades ago and that Committee had also submitted its report to the Government of India and that Report is still lying with the Government. My straight question to the Finance Minister is : Is he going to base his intended amendment to the existing laws solely on the basis of the recommendations of that Committee, which submitted its report some decades ago, or is he thinking on some other different lines? This is my first question.

No doubt you are serious about the eradication of black money in this country. Now, my second question is, are you under an impression that by bringing about such an amendment to the existing laws you would be able to eradicate black money, which is considered to be running a parallel economy, from this country?

SHRI P. CHIDAMBARAM : Sir, my answer to the first part of the supplementary is that the amendment that I would bring deals with only Chapter 14B of the Income-tax Act. It is not intended to be a comprehensive law dealing with all the aspects of black money. Chapter 14B deals with cases of search and seizure where unaccounted money is recovered during the course of search and seizure. That chapter is being amended. When the amendment comes, the hon. Members would

have an opportunity to comment on it and I have no doubt that they would support me.

SHRI NIRMAL KANTI CHATTERJEE : When is the Bill going to be introduced?

SHRI P. CHIDAMBARAM : It would be brought during this Session.

MR. SPEAKER : In fact, the Bill is being introduced today.

SHRI P. CHIDAMBARAM : No, Sir, that is another Bill. That is in regard to the State of Andhra Pradesh.

MR. SPEAKER : Is it so?

SHRI P. CHIDAMBARAM : Yes, Sir.

MR. SPEAKER : I see.

SHRI P. CHIDAMBARAM : In answer to part B of the question I would like to say that I have no illusion that by this amendment we would be able to eradicate the menace of black money.

SHRI HANNAN MOLLAH : Why is it generated?

SHRI P. CHIDAMBARAM : Black money is generated on account of variety of reasons. I do not think that we should enter into a discussion on why black money is generated. That is not possible to discuss in the course of an answer to a supplementary. I think, there are many reasons why black money is generated.

SHRI RAJIV PRATAP RUDY : Sir, we should have a half-an-hour discussion on the subject.

MR. SPEAKER : The Bill itself would be discussed. Why are you asking for a half-an-hour discussion?

(Interruptions)

MR. SPEAKER : When you are talking about the amendment you cannot go into the details now.

(Interruptions)

[Translation]

SHRI RAM NAIK : Mr. Speaker, Sir, since the hon'ble Minister has decided to introduce a Bill with regard to the search and seizure of black money, I would like to know from him as to whether the Government is aware of the total amount of black money in the country at present? Besides this, what is the policy of the Government in regard to other provisions to be made alongwith this amendment?

[English]

Should I repeat in English?

SHRI P. CHIDAMBARAM : No, I got it.

MR. SPEAKER : Yes, he has understood the question.

SHRI P. CHIDAMBARAM : This amendment is confined, as I said, only to Chapter 14B of the Income-

tax Act. I do not propose to widen the scope of this amendment. It is necessary to pass this amendment in this Session. If I widen the scope of the Bill, then it will not be possible to pass it in this Session.

SHRI RAM NAIK : I am not asking about that.

SHRI P. CHIDAMBARAM : Therefore, this amendment is confined to Chapter 14B of the Income-tax Act. I would request for your support to pass this amendment after you see it and study it.

SHRI RAM NAIK : We should pass it on merits.

SHRI P. CHIDAMBARAM : Of course, on merits.

On the estimates of black money, I am very cynical about these estimates. There was an estimate made in the year 1983-84. I am sometimes amused by these figures. The black money was estimated between Rs. 31584 crore to Rs. 36786 crore.

SHRI RAM NAIK : Does it mean that after 1984 nothing has been done?

SHRI P. CHIDAMBARAM : I am not saying that.

MR. SPEAKER : He is coming to the other figure.

SHRI PRAMOD MAHAJAN : You should first arrest the informer. He knows better than you. He will give you more information. He knows up to the last pie.

SHRI P. CHIDAMBARAM : We all know that there is a lot of black money. Some Members will disagree and some will agree - I am sure you will agree - that the black money is there largely because of the regime of high taxation, high stamp duties in property transactions and, of course, greed is also there. There are a variety of reasons as to why the black money is generated. We can discuss the larger issue of black money separately and if any law is to be made, we can look into it. But in answer to your question, apart from this Bill, I will introduce in the next Session of Parliament a Bill on money laundering.

COL. RAO RAM SINGH : This question is about the black money. The Finance Minister has himself said that the causes of generation of black money are high taxation and stamp duties on transfer of property. Is the Government considering any measures to rectify these causes which generate black money? Secondly, in one of his earlier replies the Finance Minister has said that legitimisation of black money is not recommended by any economist. Will the Government consider that where the black money is available in large quantities it can be donated to the funds of political parties, especially when the people possessing the money say that it belongs to a political party? This is not allowed. Funding of elections is a hot topic these days. Government, I think, stands to save a considerable amount if it allows, even for once, the allowances made from black money to be donated to the funds of a political party. If the Minister does not want to reply, I can understand it.

SHRI P. CHIDAMBARAM : Is my distinguished learned friend a potential donor or a potential recipient?

[English]

Foreign Equity in Coal Mining Sector

*131. SHRI SONTOSH MOHAN DEV : Will the Minister of COAL be pleased to state :

(a) whether the Government have decided to allow 100% foreign equity in coal mining sector;

(b) if so, whether the Coal Department has been asked to amend the Coal Mines (Nationalisation) Act, 1973 to increase the area for prospecting licensing;

(c) if so, the details thereof; and

(d) by what time the Government propose to allow foreign equity investment in coal mining?

[Translation]

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) The industrial proposals of 100% owned subsidiaries of foreign companies are generally supported subject to certain eligibility conditions. All downstream investments by foreign holding companies through joint ventures and subsidiaries require prior Government approval from the Foreign Investment Promotion Board (FIPB). No separate policy to allow 100% foreign equity in the coal mining sector has been laid down by the Government.

(b) The Coal Mines (Nationalisation) Act, 1973 does not provide for grant of prospecting licences of leases for coal mining.

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

(d) Foreign equity participation in the private sector coal companies seeking to mine coal for captive consumption for power generation, iron and steel production and cement production is allowed subject to prior approval of FIPB on a case to case basis.

[English]

SHRI SONTOSH MOHAN DEV : At the very outset, I apologise for asking this question. I never thought that Question No. 11 will come today and that is why I asked a supplementary.

The hon. Minister has said that as a policy there is no hundred per cent foreign equity but the FIP Board can clear it. Is it a fact that some applications came and ultimately the FIP Board has rejected them; if so, the reasons thereof?

[Translation]

SHRIMATI KANTI SINGH : Hon'ble Member, it is correct. As the coal Company has not given permission

for 100 per cent capital investment but it is routed through FIP Board and then we take a decision on it. But it is not 100 percent, I do not have full details about it.

[English]

SHRI SONTOSH MOHAN DEV : Mr. Speaker, Sir, part (d) of the answer says :

"Foreign equity participation in the private sector coal companies seeking to mine coal for captive consumption for power generation, iron and steel production and cement production is allowed subject to prior approval of FIPB on a case to case basis."

I would like to know from the Minister how many such cases have been sanctioned under the new economic policy.

[Translation]

SHRIMATI KANTI SINGH : In the private sector only Nippon Denro has been given approval.

SHRI HARADHAN ROY : Former Coal Minister, present Speaker, Shri Sangma, Shri Ajit Panja and Shri Jagdish Tytler have assured this House several times that the present coal mines would not be privatised. Has only amendment been made in this policy? Moreover, I would also like to know as to whether any public sector coal mine has been handed over to private sector, joint sector or any sector of the State? So far as I know about iron steel, the same tagging policy is being implemented in all mines. If tagging system is there then what is the logic behind privatisation?

SHRIMATI KANTI SINGH : The Government has so far not formulated any policy to hand over public sector coal mines to the private sector. Only captive mines and installation washeries have been entrusted to the private sector. There is no provision for privatisation.

SHRI RAMENDRA KUMAR : Earlier, coal industry was in the private sector. Then late Indira Gandhi Government nationalised this industry in two phases—coking coal and non-coking coal. Now the policy of the Government is that private party would be given a coal patch only be it in the name of captive mines, iron steel, cement or power. It has just been said on behalf of the Government that a coal mine has been handed over to a company. Whether any change has been carried out in the earlier policy of the Government in regard to coal industry? Whether private Party which has been given coal mine for captive power plant has started production? If so, whether power has been generated by that plant or not?

SHRIMATI KANTI SINGH : Power is being generated in the captive power plant. We have not formulated any new policy.

[English]

Collaboration with Indonesia

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*133. SHRI AJMEERA CHANDULAL :

SHRI S. RAMACHANDRA REDDY :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Andhra Pradesh Government has submitted a detailed Project Proposal for technology upgradation of small scale industries functioning in that State in collaboration with Indonesia;

(b) if so, the details thereof; and

(c) the other steps to be taken for promotion of technology upgradation among small scale industries through international co-operation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). A statement is laid on the Table of the House.

STATEMENT

(a) Yes, Sir.

(b) A Project Proposal prepared by the Andhra Pradesh Industrial and Technical Consultancy Organisation for promoting technology transfer from the Indonesian small and medium enterprises to the Indian Small Scale Industries and vice-versa was submitted to the Office of the Development Commissioner, Small Scale Industries, New Delhi for assistance under the Scheme "International Co-operation - Modernisation and Technology Upgradation".

(c) In order to promote technology upgradation and modernisation in the SSI sector, the Department of Small Scale Industries and Agro and Rural Industries is implementing the scheme of International Cooperation - Modernisation and Technology Upgradation under the "Plan" from the year 1995-96. Under this scheme, financial assistance is provided to National Small Industries Corporation, State agencies, Industries Associations and Export Promotion Councils for promoting modernisation and technology upgradation in the SSI sector.

SHRI AJMEERA CHANDULAL : Mr. Speaker, Sir, women in Andhra Pradesh are coming forward to start small scale industries. They need assistance for upgradation of their technology as well as a central place for selling their product.

May I, therefore, ask the following supplementaries?

What are the programmes designed to help backward women in rural and semi-urban areas through the development of entrepreneurial skills and when will they be implemented?

What are the steps taken to provide a suitable market place, which can also function as an information centre, for women entrepreneurs in a prime location for selling their product without having to take the help of middlemen?

SHRI MURASOLI MARAN : I appreciate the anxiety of the hon. Member that the SSI should work for the upliftment of women.

Sir, this Ministry has a programme for encouraging entrepreneurship of one lakh women for this year through NGOs. Recently, this programme has been initiated in Ahmedabad through a famous organisation called SEWA. This programme will continue.

[Translation]

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, due to time constraint I would like to put up my point in brief. I would like to give an example about the anomalies. There are hundreds of units of refined oil and hydrogenated oil as well. The Government has withdrawn duty on hydrogenated oil. Oil is also helpful in making soap.

[English]

Excise Duty Structure

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

(a) whether the Government have noticed any bottle-necks in the existing excise duty structure;

(b) if so, the details thereof; and

(c) the details of the steps proposed to be taken to revamp the excise duty structure in the country?

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

STATEMENT

(a) and (b). The present central excise duty structure is still characterised by multiplicity of tax rates, including ad-valorem and specific rates of duty; existence of a number of exemptions which are based on different criteria and; multiple nature of commodity taxes collected as basic excise duty, additional excise duty levied on specified products and various cesses also collected as additional excise duty under different enactments.

(c) Reform of the tax structure is a continuous and on-going process. A number of measures have been taken in the recent past to rationalise and simplify the excise duty structure and make it more transparent. These include reduction in the dispersal of rates, replacement of specific rates of duty with ad valorem rates on a number of commodities, withdrawal of a large number of enduse based exemptions, extension

of modvat scheme to petroleum products, capital goods, and processed textile fabrics and simplification of procedures. The Government is committed to further push forward this process of reform.

[Translation]

SHRI BANWARI LAL PUROHIT : In case of hydrogenated oil production, refined oil of the same quality has been exempted from duty but you have imposed heavy duty on the soap stock which is made in the hydrogenated oil Unit simultaneously. There are so many anomalies of this type. If you have received such representations, will you remove these anomalies? Secondly, there are so many complications in excise duty that decisions of all collectors are different.

[English]

This is at the stage of production of refining the oil.

[Translation]

What will you do to simplify it?

MR. SPEAKER : Please ask the question.

SHRI BANWARI LAL PUROHIT : There are two questions (a) and (b). There are two rates of taxes on the same product.

SHRI P. CHIDAMBARAM : Shri Banwari Lal is a good friend of mine.

Now, how can I answer when a question is related to excise duty? The question is on Excise Duty Structure...(Interruptions) Yes, there are thousands of products including hydrogenated oil and refined oil. I will look into it and come back to you...(Interruptions)

SHRI BANWARI LAL PUROHIT : I have quoted an example, Sir...(Interruptions) I can quote hundreds of examples. This is only one of them...(Interruptions)

MR. SPEAKER : Listen to the answer, Shri Banwariji.

(Interruptions)

SHRI P. CHIDAMBARAM : If there are two rates of duties, what according to you, is on the same product, certainly that is an anomaly and it has to be removed. But I will have to look into the matter whether the products you are mentioning are one and the same or two different products and come back to you and tell you why there are two rates of duties and taxes.

MR. SPEAKER : Do you have any supplementary?

(Interruptions)

SHRI BANWARI LAL PUROHIT : My second question is that there are various difficulties. What steps is the Government going to take to simplify the Excise Act duties? This is the main question. It is a very complicated Act. We do not understand.

SHRI P. CHIDAMBARAM : In my Budget Speech, I have said that reforms on excise is high on our agenda.

We have reduced the number of duties and the number of rates. We will again reduce the number of rates. But Excise Duty Act provisions have not been taken up. We have only taken up Income-Tax Act and Company Law. Let that be finished, then I would attend to the Excise Duties Act.

[Translation]

SHRI DATTA MEGHE : Mr. Speaker, Sir, please ask the hon'ble Minister to reply the question put up by Shri Banwari Lal Purohit.

[English]

Agro based Industries

*136. SHRI DATTA MEGHE : Will the Minister of INDUSTRY be pleased to state :

(a) the details of proposals received by Government regarding setting up of agro-based industries with foreign investment in each State of the country during the last three years,

(b) the details of the proposals approved and the number of proposals implemented so far; and

(c) the reasons for delay in implementation of the approved proposals?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). A statement is laid on the Table of the House.

STATEMENT

(a) A total of 461 number of proposals envisaging foreign direct investment of Rs. 6536.50 crores in the Agro-based Industries comprising of Sugar, Paper & Pulp, Food Processing Industries, Vegetable Oils & Vanaspati and Horticulture/Agriculture/Floriculture and Fermentation Industries have been approved during the last 3 years. The State-wise details of these proposals approved during the last 3 years viz. 1994, 1995 and 1996 (upto 30-9-96) are given in the Annexure.

(b) and (c). Implementation details of foreign investment projects are not centrally maintained. Monitoring of the project is primarily done by the State Government since commissioning of most projects depends upon various State level clearances including land, power etc. and gestation period which varies from project to project.

ANNEXURE

Statewise Report for Foreign Direct Investment Cases Approved for Agro based Industries during the Period 1994, 1995 and 1996 (Upto Sept.)

(Rs. in Crores)

State	1994		1995		1996	
	No.	Inves.	No.	Inves.	No.	Inves.
1	2	3	4	5	6	7
Others (Location not Indicated)	8	366.20	15	558.94	18	3023.69
Maharashtra	29	279.54	28	61.04	13	30.14
Delhi	5	99.53	7	52.32	1	1.40
Madhya Pradesh	6	80.74	4	15.79	5	465.83
Andhra Pradesh	16	30.22	35	135.26	12	462.81
Karnataka	14	23.11	23	31.01	12	13.22
Uttar Pradesh	10	28.38	11	57.08	12	139.89
Haryana	15	17.82	23	39.50	8	35.42
Chandigarh	2	9.02	-	-	-	-
Gujarat	6	8.03	9	95.3	7	159.40
Punjab	4	7.42	2	4.26	3	2.72
Tamil Nadu	14	9.81	25	24.28	14	34.57
West Bengal	3	3.02	6	8.67	4	59.22
Rajasthan	4	1.96	7	18.58	2	5.47
Himachal Pradesh	3	9.40	1	1.20	-	-
Dadra & Nagar Haveli	1	1.07	-	-	-	-

1	2	3	4	5	6	7
Tripura	1	0.68	-	-	-	-
Orissa	2	0.35	1	0.50	-	-
Kerala	1	0.30	1	0.55	4	7.41
Assam	-	-	1	0.57	-	-
Bihar	-	-	1	1.15	-	-
Pondicherry	-	-	-	-	1	4.65
Jammu & Kashmir	-	-	-	-	1	8.01
	144	976.58	200	1106.07	117	4453.85

[Translation]

SHRI DATTA MEGHE : Mr. Speaker, Sir, several projects come under it in Maharashtra but Finance Committees are not financing. Credit goes to the sugar, paper and spinning mills of Maharashtra for mobilising the investment made.

WRITTEN ANSWERS TO QUESTIONS

[English]

Misuse of Value Based Advance Licence

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

(a) whether the Government are aware of the massive misuse of Value Based Advance Licence (VBAL) and the Quantity Based Advance Licence (QBAL) Schemes;

(b) if so, the net loss incurred by the Government till date due to the misuse of the schemes; and

(c) the remedial measures adopted by the Government to plug the loopholes?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Yes Sir. Cases of misuse of Value Based Advance Licences (VBAL) and Quantity Based Advance Licences (QBAL) have been noticed. These cases relate, inter-alia, to wrongful availment of Modvat under VBALs, import of goods not covered by the relevant Customs Notifications, mis-declaration of value of export and import goods, export of inferior or junk materials and diversion of imported goods for domestic market in contravention of the conditions of the schemes. As many cases are still at various stages of investigation/adjudication, the net loss cannot be quantified.

(c) Various measures have been taken by the Government to plug the loopholes and to prevent misuse of these Schemes. These measures, inter-alia, include requiring the exporters to discharge their export obligation both in terms of value and quantity of export

product under the VBAL modification of the sensitive list by placing some items in the said list which attract 0 to 10 per cent duty, and those which constitute upto 2 per cent by weight or quantity in the export product, imposition of additional customs duty on inputs imported under the VBAL and QBAL Schemes, explicitly providing for computation of CIF value of inputs with reference to their international prices. The procedure for verification of the availment of Modvat in respect of inputs used for manufacture of export product has also been streamlined.

Internal Control System in Banks

*123. SHRI JAI PRAKASH (Hardoi) : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "RBI urges banks to beef up internal control systems" appearing in the 'Hindustan Times' dated August 10, 1996;

(b) if so, the facts thereof; and

(c) the progress of steps initiated in that regard so far?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Yes, Sir. Deputy Governor, RBI mentioned at the Annual General Meeting of the Indian Banks Association that there was a need for strengthening the internal control systems of banks.

(c) RBI have taken various steps which include inter alia, introduction of the system of concurrent audit, hundred percent audit of investment and foreign exchange operations, constitution of Audit Committees of the Boards of Directors of the Banks, reduction in the number of unreconciled entries specifically in fraud prone accounts, staff accountability, etc.

[Translation]

Concessions/Relaxations for Handloom Sector

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

(a) whether the Union Government have received

any representation from the Weavers Cooperative Societies and other Organisations seeking more concessions/relaxations for handloom weaver;

(b) if so, the details thereof and the reaction of the Union Government thereto; and

(c) the details of the relaxations/concessions being provided to the handloom weavers at present?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b). Yes Sir, the Union Govt. keeps on receiving representations from various cooperative societies and other Organisations seeking more concessions/relaxations for handloom weavers pertaining to developmental schemes implemented by the Govt. and issues of general interest. All the representations are considered and acted upon, within the permissible frame work of approved guidelines. Necessary modifications/alterations/additions is also carried out on the basis of representation as per the merit of the issue.

(c) Details of the relaxations/concessions being provided to the handloom weavers at present inter-alia include the following :-

- (i) Assistance under Janata Cloth Scheme.
- (ii) Assistance under Mill Gate Price Scheme.
- (iii) Cash Credit facilities through cooperative Banks and Commercial Banks under NABARD refinance.
- (iv) Market Development Assistance.
- (v) Assistance for participation in National Handloom Expos and Mini Handloom Expos.
- (vi) Fiscal concession to handloom sector.
- (vii) Assistance through various weavers service centres.
- (viii) Assistance under various other ongoing schemes such as Handloom Development Centres and Quality Dyeing Units, Project Package Scheme, IHVD Scheme, Workshed-cum-Housing Scheme, Thrift Fund Scheme, Group Insurance Scheme, Health Package Scheme, Margin Money for Destitute Weavers, etc.

Setting up of Industries in Backward and Hilly Areas

*127. SHRI BACHI SINGH RAWAT 'BACHDA': Will the Minister of INDUSTRY be pleased to state :

(a) whether the Union Government have chalked out any plan for setting up of industries for the development of backward and hilly areas of the country under its Common Minimum Programme;

(b) if so, whether any survey has been conducted so as to translate the plan into action; and

(c) the areas in which industries are likely to be set up and the kind of industries to be set up?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). Union of India plays a supportive and pro-active role in the implementation of area-specific policy initiatives of State Governments for development of industry. In this direction, at present, Centrally sponsored schemes like the Transport Subsidy Scheme, the Growth Centre Scheme and the Integrated Infrastructure Development Scheme are being implemented by the Ministry of Industry for the accelerated industrial development particularly of the hilly, backward and inaccessible regions of the country. The report of the review group set up by Ministry of Finance for considering Taluka/District as an indicator for sanctioning tax holiday under Section 80 IA is under consideration of the Government.

[English]

Import of Blank Coins

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

(a) whether there is a shortage of coins in the country;

(b) if so, the action taken by the Government to increase their availability;

(c) whether the Government also propose to import blank coins; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) There is temporary shortage of coins as the currency notes of Rs. 2 and Rs. 5 have been fully coined raising the demand for coins.

(b) The Government is executing the Mint's modernisation project at India Government Mints, Calcutta, Hyderabad and Mumbai. The new plants and machinery are expected to be commissioned by June, 1997. Thereafter the capacity of the Mints will substantially go up to meet the requirement of coins.

(c) and (d). With a view to increasing production of coins, Government procures coin blanks both from indigenous and foreign sources. Action for procurement of 4000 MT stainless steel coin blanks and 3000 MT cupro-nickel coin blanks has been initiated.

World Bank Loan for Power Sector

*129. SHRI D.P. YADAV : Will the Minister of FINANCE be pleased to state :

(a) the number of power projects in India for which Asian Development Bank has sanctioned loan recently;

(b) the number of power projects which are proposed to be set up in U.P.;

(c) the rate of interest to be charged by ADB thereon; and

(d) the mode of payment adopted by the Government for repayment of loan?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Asian Development Bank (ADB) has sanctioned one loan for the power sector during 1996-97 to the Power Grid Corporation for the Power Transmission (Sector) Project.

(b) No new projects are proposed to be set up in Uttar Pradesh at this stage with ADB assistance. The ADB assisted Unchahar Project is presently under implementation by NTPC.

(c) and (d). Half-yearly variable interest rates ranging from 5% to 8% per annum are charged by ADB depending upon their market borrowings. Repayments are made out of budgetary provisions of financial year.

Production of Coffee

*132. SHRI K.H. MUNIYAPPA :
SHRI K.P. SINGH DEO :

Will the Minister of COMMERCE be pleased to state:

(a) the total production of coffee produced in the country during each of the last three years, State-wise;

(b) whether there is great demand of Indian coffee in the domestic and international markets; and

(c) if so, the steps taken to increase the production and export of coffee?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) State-wise production of coffee during the last three years in the country is as follows :-

State	1993-94 Production	1994-95 Production	1995-96 Production
Karnataka	1,44,860	1,23,050	1,58,900
Kerala	46,240	39,000	45,000
Tamil Nadu	15,840	15,870	17,500
Others	1,060	2,180	1,600
All India	2,08,000	1,80,100	2,23,000

(b) Yes, Sir.

(c) To increase production of coffee, the Coffee Board operates several plan schemes for intensive cultivation, replanting and quality improvement. Support is provided by way of research, extension, arrangement of credit and finance and other backup, like supply of seed coffee for planting.

Among the steps taken to boost export of coffee are:

(i) regular participation in important coffee fairs abroad;

(ii) media publicity campaign to popularise Indian Coffee;

(iii) regular market survey and deputation of business negotiations/delegations to foreign markets; and

(iv) inviting foreign market teams to the country to popularise Indian coffee

IFCI Investment in India

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

(a) whether the aggregate investment of Industrial Finance Corporation of India has declined during the financial year ended March, 1996;

(b) if so, the main reasons therefor; and

(c) the steps taken/proposed to be taken by the Government to improve the same during 1996-97.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) No, Sir. During 1995-96, financial assistance disbursed by Industrial Finance Corporation of India Limited (IFCI) amounted to Rs. 4563.26 crores registering a growth of 60.8% over the disbursements of Rs. 2838.73 crores during 1994-95. The disbursements in 1995-96 included investments in shares/debentures to the extent of Rs. 461.38 crores which was higher by 42.3% over the disbursements of Rs. 324.19 crore made during the year 1994-95.

(b) Does not arise.

(c) IFCI has reported that its performance in terms of sanctions and disbursements, including those by way of investments in shares/debentures, is largely dependent on flow of acceptable proposals which in turn is dependent on the general investment climate in the country and more particularly the condition of the capital market as well as nominal and real interest rates in the economy.

Public Sector Coal Companies

*137. SHRI PRABHU DAYAL KATHERIA : Will the Minister of COAL be pleased to state :

(a) whether the budgetary support to the public sector coal companies has come down since 1990;

(b) if so, the details thereof;

(c) whether the public sector coal companies are facing acute financial crisis; and

(d) if so, the remedial steps taken or proposed to be taken by the Government to help public sector coal companies to tide over the financial crisis?

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

(b) As per the new economic policy of the Government of India stipulating self-sufficiency of the Public Sector Enterprises, the budgetary support to Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) have been reduced from the 1990-91 level of 36.25% and 77.56% respectively to their total capital expenditure to 4.66% and 22.06% respectively in 1996-97.

(c) and (d). A statement is enclosed

STATEMENT

The budgetary support is not meant for meeting the entire losses incurred by CIL and SCCL. Despite the reduction in budgetary support, CIL, which had incurred a loss of Rs. 253.17 crores in 1990-91, has been able to earn a profit of Rs. 611.44 crores in 1995-96. However, the loss of SCCL, which stood at a level of Rs. 165.73 crores in 1990-91, has increased to Rs. 191 crores in 1995-96.

The Government has taken steps to restructure the arrear liabilities of CIL to the Government by way of waiver of interest dues to the tune of Rs. 891.75 crores, to convert Rs. 904.30 crores as arrears of repayment of loan into preference equity and to allow further moratorium of three years on arrears to repayment of non-plan loan amounting to Rs. 432.64 crores.

As regards SCCL, a Tripartite Agreement was signed on 24.9.94 between Government of India, Government of Andhra Pradesh and Singareni Collieries Company Limited. This agreement, inter-alia, provides for financial assistance to the company by the Government of India and the Government of Andhra Pradesh during annual plans 1990-91 and 1991-92 and the Eighth Plan period, proportion of equity holding between the two Governments, management structure and an undertaking on the part of the company to produce 28.27 million tonnes of coal during the terminal year of the 8th Plan.

The agreement is under implementation and commitments upto 1993-94 have already been met by the respective parties.

[Translation]

Import of Machines

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

(a) the total amount spent by the Bharat Coking Coal Ltd. on the mechanisation and modernisation of coal mines by importing foreign techniques and equipments;

(b) the details of those projects of B.C.C.L. in which imported technique and equipments have been used;

(c) the names and the details of collieries of B.C.C.L. for which techniques and equipments have been imported;

(d) whether all the imported techniques have been successful in India; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Bharat Coking Coal Limited has spent approximately Rs. 185 crores, besides 57.02 million US \$ by way of multilateral assistance, on imported foreign technology and equipment.

(b) and (c). A statement is enclosed.

STATEMENT

The names of BCCL Collieries and Projects where imported technology and equipment have been used:

S. No.	Name of Collieries	Details of Project
1.	North Amlabad	Installation of Degassification Plant.
2.	Moonidih	Import of Longwall Equipment, Road Headers and Pump pack system.
3.	Pootkee Balihari	Import of decking device in Pootkee Balihari Project.
4.	Block-II OCP (Coking)	Procuring HEMM for Block-II OCP under World Bank Loan.
5.	Gopalchak Colliery	S&T project with FRG assistance for establishing technology for Hydro-mining in Indian Coal Seams.
6.	Katras	Import of Longwall Equipment and technology for sub-level caving and for importing equipment and technology for blasting gallery method.
7.	East Katras	Import of Spares for renovation of plough.
8.	Mukund OCP	Import of one Russian dragline for dealing with fires in Mukunda Block.

(d) and (e). Various imported techniques have been applied in the coal mines of the country. Out of those, techniques like Powered Support Longwall, Blasting gallery, Shield mining have been, by and large, successful.

However, techniques like sub-level caving hydraulic mining, methane drainage etc. tried in a very limited

way, under Indian geominig conditions, were not found suitable.

[English]

IDF Aid to India

*139. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether India Development Forum at its meeting held in Tokyo had pledged aid amounting \$ 7 billion to India;

(b) if so, the details thereof; and

(c) the terms and conditions of the aid being provided?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Yes, Sir. The India Development Forum meeting was held on 19th and 20th Sept., 1996 in Tokyo to discuss aid requirements of the country. The meeting of bilateral and multilateral donors took place on 19th September, 1996 where India's development partners pledged above \$ 7 billion to US \$ 6.7 billion + US \$ 0.4 billion in long terms finance promised on a bilateral basis at market rates for the year 1996-97. Out of this US \$ 2.2 billion will be in the form of concessional assistance.

(c) The terms and conditions such as repayment period and rate of interest are known only after the aid negotiations/agreements with donor countries/institutions are finalised.

Modernisation of Mints

*140. SHRI G. VENKAT SWAMY : Will the Minister of FINANCE be pleased to state :

(a) whether the work of modernisation of Government of India Mints at Bombay, Calcutta and Hyderabad which was scheduled to be completed by March, 1992, has not been completed so far;

(b) if so, the reasons therefor, Mint-wise; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). With a view to achieving self-sufficiency in meeting our requirement of coins, it was decided to modernise the India Government Mints at Mumbai/Calcutta/Hyderabad at an estimated cost of Rs. 118.28 crores at 1986 price level. Subsequently, it was decided to coinise Rs. 2/- & Rs. 5/-. The modernisation project was accordingly reviewed. The Government gave its approval to the project in June 1994 at a total cost of Rs. 301.82 crores and completion by November 1996.

The implementation of the project has not progressed as per the schedule since some of the

executing agencies have not been able to accomplish the jobs on time. Civil works in Mumbai, Calcutta and Hyderabad Mints were delayed by civil construction agencies. The remaining works have therefore been assigned to new agencies. However, major plants & machinery have already been procured and have been installed and in the process of commissioning.

The equipments related to ferritic stainless steel stream are already installed and under commissioning and will become operational by March, 1997. The equipments related to cupro-nickel stream are also installed and under commissioning and will also be operational by June, 1997.

Shares of U.T.I.

1150. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been invited to the news item captioned "Probe into sale of VSNL shares by UTI ahead of sell off" appearing in the 'Business Standard' New Delhi dated the October 17, 1996;

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

(c) the outcome of the investigation and action taken or proposed to be taken against the Unit Trust of India?

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

(b) The news item refers to sale of VSNL shares by Unit Trust of India in a falling market which has further depressed the price of the scrip. Unit Trust of India has reported that during the period Nov., 95 to October, 96 it sold 21,45,200 shares of VSNL. The market operations were undertaken by UTI to meet redemption and dividend requirement of the schemes of UTI.

(c) Government has not undertaken any investigation into the matter as Financial Institutions manage their portfolio based on their commercial perception and internal norms.

Gold brought through Calicut Airport

1151. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) the quantity and value of gold recorded to have been brought by Indian citizens working in gulf countries through Calicut Airport since the liberalisation of gold import scheme; and

(b) the quantity and value of contraband gold seized at Calicut Airport during the last three years?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The quantity and value of gold recorded to have been brought in by Indian citizens

working in gulf countries through Calicut Airport since the liberalisation of gold import scheme i.e. from 1992 onwards is given as under :-

Year	Quantity (In M.T.)	Value (In Crores)
1992-93	17.143	38.02
1993-94	29.786	65.53
1994-95	59.908	131.80
1995-96	67.273	148.00
1996-97	45.21	99.45

(upto 31-10-96)

(b) The quantity and value of contraband gold seized at Calicut Airport during the last three years is as under :-

Year	Quantity (In Kgs.)	Value (In Lakhs)
1993-94	51.53	229
1994-95	20	131
1995-96	67	339
1996-97	53.13	268.24

(upto 31.10.96)

Ban on Wages and Salaries of Sick P.S.U.s.

1152. SHRI R. SAMBASIVA RAO : Will the Minister of INDUSTRY be pleased to state :-

(a) whether the Government propose to lift ban embargo on the wages and salaries of employees of sick Public Sector Undertakings imposed since January 1, 1992;

(b) whether the Government also propose to revise the wages of supervisors and officers drawing IDA in sick PSUs where such revisions are due since 1.1.1992;

(c) if so, details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). There is no ban/embargo on the wages and salaries of employees of sick Public Sector Undertakings. Salary/wage revision of the employees following IDA scales, in such enterprises, are permitted provided they fulfil the conditions stipulated in the Govt. guidelines.

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

Foreign Financial Institutions

1153. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :-

(a) the number of foreign financial institutions registered in India;

(b) the amount of money brought by them into India; and

(c) the amount of direct investment made by these companies in India?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The total number of Foreign Institutional Investors (FIIs) registered with the Securities and Exchange Board of India (SEBI) as on 20.11.1996 is 419.

(b) and (c). As per the periodic reports filed with SEBI by the custodians to the FIIs, the cumulative net investments by the FIIs in the Indian capital market was US \$ 7092.6 Million till 20th November, 1996.

[Translation]

Loans to States by N.A.B.A.R.D.

1154. PROF. RASA SINGH RAWAT :

SHRI G.A. CHARAN REDDY :

SHRI SHANTILAL PARSOTAMDAS PATEL :

SHRI O.P. JINDAL :

Will the Minister of FINANCE be pleased to state :-

(a) the amount of financial assistance provided by National Bank for Agriculture and Rural Development (NABARD) during each of the last three years and in the current year, State-wise and scheme-wise and the number of beneficiaries therefrom; and

(b) the details of terms and conditions of this financial assistance?

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

Development of Handloom Sector

1155. SHRI ASHOK PRADHAN : Will the Minister of TEXTILE be pleased to state :-

(a) whether the Union Government have received any proposal from the Government of Uttar Pradesh for allocation of more funds to promote the handloom industry and to achieve more development in this field;

(b) if so, the details thereof; and

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

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) to (c). The allocations of funds for the development of handloom sector are generally scheme-wise and not Statewise. All the State Governments and Union Territories are eligible for assistance under the various ongoing schemes of the Government. On the basis of viable proposals received from the State Government of

Uttar Pradesh, a total sum of Rs. 110.25 crores was sanctioned during the last four years to the State Government.

[English]

Investments/Loans by LIC

1156. SHRI HARADHAN ROY : Will the Minister of FINANCE be pleased to state :

(a) the total investment and loans by the Life Insurance Corporation of India as on 31st March, 1996 within the country;

(b) the total investment and loans out of above to Central Financial Institutions/Government Agencies; and

(c) the break up of the remaining investment and loans, State-wise?

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

IDBI Assistance to Entrepreneurs of Andhra Pradesh

1157. SHRI G.A. CHARAN REDDY : Will the Minister of FINANCE be pleased to state :

(a) the number of applications received by Industrial Development Bank of India from the entrepreneurs of Andhra Pradesh during each of the last three years.

(b) the number of applications approved and rejected out of them; and

(c) the details of the financial assistance provided to industries of Andhra Pradesh by IDBI during each of the last three years?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The details of applications received, sanctioned and rejected under direct finance schemes of the Industrial Development Bank of India (IDBI) in the State of Andhra Pradesh during the last three years are given below :

	1993-94	1994-95	1995-96
Applications received	151	178	180
Applications sanctioned	124	150	123
Applications rejected	2	2	3

(c) The details of assistance sanctioned and disbursed by IDBI to industrial units in Andhra Pradesh

under IDBI's direct finance schemes during 1993-94, 1994-95 and 1995-96 are given below :

(Rs. crores)

	Sanctions	Disbursements
1993-94	690.83	304.26
1994-95	1007.31	692.37
1995-96	1318.97	771.12

[Translation]

Facilities to Industrialist of U.P.

1158. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have decided to provided uninterrupted power supply and other civil amenities to the Moradabad and Agra cities of Uttar Pradesh to promote industrial production for export;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the steps taken by the government to provide such facilities to industrialists of Agra and Moradabad cities of Uttar Pradesh?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d). The proposal of the U.P. State Electricity Board (UPSEB) for power system improvement at Moradabad has been approved under the 'Crucial Balancing Investment Scheme (CBI)' in which contribution of Central Government is of Rs. 8 crores. No proposal for Agra has been received from the U.P. Government for consideration under the CBI Scheme.

[English]

Modernisation of Powerloom Sector

1159. SHRI NARAYAN ATHAWALAY : Will the Minister of TEXTILES be pleased to state :

(a) whether National Bank for Agriculture and Rural Development (NABARD) and Small Industries Development Bank of India (SIDBI) have formulated a plank of action for providing working capital and funding modernisation programme in Power loom sector to the extent of Rs. 1000 Crores

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

(c) the number of weavers likely to be benefited under the same scheme particularly in Maharashtra?

THE MINISTER OF TEXTILE (SHRI R.L. JALAPPA) : (a) NABARD and SIDBI have formulated refinance scheme for modernisation and technology upgradation of powerloom units. The schemes provide for setting up new units also. The finance is to be provided through

commercial banks, cooperative banks and regional rural banks. There is no specific plan for providing any specific amount of finance.

(b) and (c). A statement is enclosed.

STATEMENT

Details of various refinance facilities provided by the NABARD to State Cooperative Banks (SCBs) Regional Rural Banks/Commercial Banks are given below

State Cooperative Banks/District Central Cooperative Banks

- Production and Marketing activities of primary handloom/powerloom weavers societies.
- Procurement and marketing activities of apex weavers cooperative societies.

Regional Rural Banks

- Short term (working capital) limits to Regional Rural Banks for financing production and marketing activities of artisans (including handloom and powerloom weavers).

Commercial Banks

- NABARD provides short term (Working Capital) limits for financing Primary Handloom Weavers' Cooperative Societies in certain areas.

(ii) Investment Credit

- Refinance to banks for financing of acquisition of powerlooms.
- Refinance to SCBs for financing acquisition of powerlooms by weavers societies and individual weaver members of primary handloom/powerloom weavers' societies.
- Refinance to banks for financing modernisation/renovation/expansion/diversification of existing powerlooms units.
- Refinance to banks for the modernisation of powerlooms under the scheme prepared by Manmade Textile Research Association (MANTRA).
- Refinance to Cooperative Banks and Commercial Banks for setting up/renovation/modernisation of showroom/sales exporia by Apex Weavers Societies.

SIDBI's Special Scheme For Refinance to Powerloom Units

Terms loans granted by all eligible institutions to new grassroot powerloom units coming up in the small scale sector and not envisaging production of any items

reserved for the Handloom sector, are eligible for refinance assistance from SIDBI, subject to the proposals satisfying the usual norms and parameters of SIDBI's Refinance Scheme. Assistance would also be available for modernisation and technology upgradation schemes of existing powerloom units.

SIDBI has introduced a special scheme in respect of assistance sanctioned by eligible institutions to the workers of National Textile Corporation (NTC) who opt for voluntary retirement. Under the scheme, assistance can be provided by primary lending institutions (PLIs) viz. State Financial Corporations, State Industrial Development Corporations, NTC for acquisition of 2 or 4 new looms for setting up of reeling units as co-operative societies by a group of such workers. In recognition of the basic objectives to be fulfilled by this package, acquisition of old powerlooms from NTC by its workers has also been made eligible for refinance assistance from SIDBI.

Units in powerloom sector have to avail of the facility under SIDBI's schemes through PLIs. PLIs have been advised to consider proposals received from the powerloom units and avail of the refinance facility available to them against their term loans from SIDBI.

Setting up of Dry Port at Kandla

1160. SHRI PINAKI MISHRA : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal to set up a Dry Port at Kandla (Gujarat) to facilitate exports of agriculture and horticulture produce from Punjab and other Northern States;

(b) if so, the details thereof; and

(c) if not, the steps taken by the Government to boost the export of these items through Kandla Port?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). An Inter Ministerial Committee (IMC) is functioning in the Ministry of Commerce to provide single window clearance to the proposals for setting up of dry ports (Island Container Depots/Container Freight Stations (ICDs/CFSS)). A proposal of Central Warehousing Corporation for setting up of a CFS at Kandla was cleared by the said IMC. The CFS at Kandla is in operation since March, 1996. The entire area can be utilised for stuffing agricultural and horticultural export commodities and various other commodities which are generated from the hinterland of Punjab & Haryana besides Delhi and Rajasthan.

Export of Cashew to Russia

1161. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether Russia is importing cashew from the country;

(b) if so, the total quantity exported to Russia during each of the last three years;

(c) whether the Government have received any request from the Kerala State Cashew Development Corporation to export cashew to Russia;

(d) if so, the details thereof;

(e) whether there is any possibility to export additional quantity of cashew to that country;

(f) if so, the details thereof; and

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

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

(b) The total quantity of cashew kernels exported to Russia during each of the last three years has been as under :-

Year	Quantity (Tonnes)	Value (In Rs. Lakhs)
1993-94	5533	9231.73
1994-95	5516	9183.49
1995-96	13860	26205.35

(Source : DGCI&S, Calcutta)

(c) and (d). A request has been received from Government of Kerala that a portion of Russian orders for import of cashew kernels from India during 1996-97 be entrusted to the Kerala State Cashew Development Corporation at a mutually agreed terms and conditions.

(e) to (g). Cashew kernels are freely exportable to all countries including Russia against freely convertible currencies. However, following certain complaints, no ceiling has been fixed during 1996-97 for export of cashew kernels to Russia under the ESCROW Account/ Rupee Debt Repayment Mechanism. This issue will be taken up for discussion with the Government of Russia.

Decline in Export to U.K. and European Markets

1162. SHRI SOUMYA RANJAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of Indian goods to U.K. and European markets has reduced;

(b) if so, the reasons therefor; and

(c) the action proposed to be taken by the Government to increase the export of Indian goods to foreign markets?

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

(b) Does not arise.

(c) Fifteen products have been identified for undertaking special export promotion efforts so as to increase export of Indian goods to foreign markets. Some of the other supporting measures in this direction include participation in international trade fairs, intensified exchange of business delegations, supply of necessary information and extending necessary facilities to commercial organisations, setting up of warehousing facilities, promotion of joint ventures etc.

Opening of New Route for Export to Bangladesh

1163. SHRI AMAR ROYPRADHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether his Ministry has received any request for opening of a new route for export of Indian goods to Bangladesh via Haldibari;

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

(c) the time by which the proposed route is likely to be opened in the interest of export of Indian goods to Bangladesh?

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

(b) and (c). The Land Customs Station at Haldibari Railway Station is non-functional as there is no rail traffic on the Haldibari-Chilahati route on account of the absence of railway track for about 3 Km. on the Indian side and 5 Km. on the Bangladesh side. Government are considering the merits of the proposal to restore the missing rail link. Government are also examining the merits of the proposal to allow trade with Bangladesh through the Haldibari-Chilahati route, by road. It is however not possible to fix a definite time frame for opening the rail and road routes, at this stage.

Vacant Posts of C.M.D. in Banks

1164. SHRI SHANTILAL PARSOTAMDAS PATEL :
SHRI DINSHA PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether a large number of Banks do not have their Chairmen-cum-Managing Directors;

(b) if so, the details thereof and the dates since when these posts have been lying vacant, bank-wise;

(c) the reasons for delay in appointing Chairman-cum-Managing Directors of these banks; and

(d) the time by which all such posts are likely to be filled up?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The posts of Chairman and Managing Director are lying vacant in two

nationalised banks, as per details below :—

S.No.	Name of the Bank	Date from which lying vacant
1.	Canara Bank	1.9.1996
2.	UCO Bank	23.10.1996

Necessary steps for filling up these vacancies have been initiated.

Insurance Cover Against Natural Calamities

1165. SHRI DINSHA PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether any insurance cover is provided to the poor people under which their houses that are burnt or washed away by natural calamities like fire, flood, cyclone, earthquake etc. are reconstructed;

(b) if so, the details thereof;

(c) if not, whether the Government propose to formulate such a scheme for the benefit of the poor people; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). 'Hut Insurance Scheme' provides immediate relief to the poor families in rural areas, whose annual income from all sources does not exceed Rs. 4,800/-, when their huts and belongings get destroyed by fire. A master policy covering all eligible population in the country is issued by the general insurance industry for which the entire premium is borne by the Central Government. This Scheme is not intended to cover perils like floods, cyclones, earthquakes etc. for which a separate 'Calamity Relief Fund Scheme' already exists in the States. Therefore, it is not considered necessary to cover these risks under the 'Hut Insurance Scheme'.

[Translation]

Performance of Banks in Haryana

1166. SHRI O.P. JINDAL : Will the Minister of FINANCE be pleased to state :

(a) the performance of each of the public sector banks in the matter of their deposits, loan distribution etc. during the last three years in Haryana; and

(b) the target fixed and loans granted in Agricultural and Industrial sectors and also under self employment scheme by each of the banks during the above period?

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

Visit of US Trade Representatives

1167. SHRI MADHAVRAO SCINDIA : Will the Minister of COMMERCE be pleased to state :

(a) whether the US Trade representatives, during their recent visit to New Delhi, made some suggestions regarding reduction or elimination of tariff duties on telecommunications, hardware and software;

(b) if so, the details thereof; and

(c) the reaction of the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). Yes, Sir, The US has made a proposal for an agreement under the World Trade Organisation to reduce/eliminate tariff on information technology related goods by the year 2000. The Government is examining the merits of the proposal.

Child Marriage

1168. SHRI PRADIP BHATTACHARYA : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Karnataka High Court has recently recommended to the Union Government that penalty prescribed for underage marriages be drastically increased to punish the guilty; and

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

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) No such recommendation has so far been received.

(b) Does not arise.

Imposition of Duty on Indian Floriculture by EU

1169. SHRI RAJENDRA AGNIHOTRI :
DR. LAXMINARAYAN PANDEY :

Will the Minister of COMMERCE be pleased to state:

(a) whether the European Union has imposed a duty of 15 to 20 percent on Indian floriculture whereas most other developing countries are exempted from this levy;

(b) if so, the reasons therefor;

(c) whether the Government have taken up this matter with the European Union; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). There is no separate country specific duty regime imposed by the European Union (EU) as the duties are

required to be levied on "Most Favoured Nation" (MFN) basis. However, in derogation of MFN duties, EU grants concessional treatment under the Generalised System of Preferences (GSP) to various developing countries. India is also one of the beneficiaries for GSP on floriculture which is figuring in the list of sensitive/very sensitive items and attracts a duty of 70%/85% of the applied MFN rate on exports of floriculture to EU. Under the EU GSP Scheme, exports from least developed countries (LDCs) and some other countries facing special problems enjoy better concessions than India.

(c) and (d). India has requested European Union for better GSP treatment.

Implementation of 10th Finance Commission Report

1170. SHRIMATI JAYAWANTI NAVIN CHANDRA MEHTA : Will the Minister of FINANCE be pleased to state :

(a) whether the Planning Commission has recommended to implement the 10th Finance Commission's recommendation regarding the pooling of all Central Taxes for sharing with the States.

(b) if so, the details thereof and the time-frame fixed for it; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The Planning Commission is not required to make any recommendation regarding the implementation of the Finance Commission's recommendations.

The recommendation of the 10th Finance Commission regarding pooling of the Central taxes for sharing with the States, is under examination by the Government of India and it also entails consultation with States.

National Judicial Academy

1171. SHRI HARIN PATHAK : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) when the National Judicial Academy was constituted and the details of its members and terms of reference;

(b) the details of works undertaken by the Academy since its constitution;

(c) whether a study team has been constituted to study the arrears of cases pending before the High Courts, Subordinate Courts and Supreme Court;

(d) if so, the details thereof; and

(e) by when this team is expected to submit its report?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) The National Judicial Academy was registered under the Societies Registration Act XXI of 1860 with the Registrar of Societies, Delhi on 17th August, 1993 and the Academy has come into existence with effect from that date. The Governing Council of the Academy has the following members :-

- | | | |
|--|---|---------------------|
| (i) Chief Justice of India | - | Chairman |
| (ii) Two Member Judges of Supreme Court | - | Member |
| (iii) Secretary (Justice) | - | Member |
| (iv) Secretary, Department of Legal Affairs | - | Member |
| (v) Secretary, Department of Expenditure | - | Member |
| (vi) Registrar General, Supreme Court of India | - | Member/
Convenor |

The National Judicial Academy is required inter alia to provide training to the Judicial Officers of the States/UTs, study the Court Management and the Administration of Justice in the States/UTs and suggest improvement to the said system, and collaborate in promoting study of Court management with other institutions both within the country and abroad.

(b) The Academy is functioning from Delhi and takes up such programmes which can be handled from Delhi without the need for an infrastructural facility of its own. A training programme on "Court Administration" for Registry personnel has been conducted with experts from Californian Institute and National Informatics Centre in October, 1996 at Andhra Pradesh Judicial Academy, Hyderabad. An orientation course on 'Gender and Law' for State Judicial Officers was conducted in March-April, 1996 at the Indian Law Institute, New Delhi. It is proposed to arrange a dialogue on 'Regional Perspective on Gender Equality' at India International Centre, New Delhi in January, 1997.

(c) to (e). To improve Court Management with a view to speeding up disposal of pending cases at all levels, the Academy has set up a Study Team headed by its Director General. The Study Team will prepare a package of proposals for the improved functioning of Courts with particular emphasis on introduction and utilisation of modern court management techniques.

The Report on Court related ADR system would be finalised soon for implementation.

Criminalisation of Politics

1172. SHRI GANGA CHARAN RAJPUT : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government are contemplating any

change in the election code of conduct to prevent criminalisation of politics;

(b) if not, the reasons therefor; and

(c) if so, the measures taken by the Government to prevent criminalisation of politics?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b). The Model Code of Conduct for the Guidance of Political Parties and Candidates was formulated by the Election Commission of India in consultation with political parties. Government, not being a party to its formulation, is not required to amend it.

(c) Section 8(a) of the Representation of the People Act, 1951 disqualifies a person on conviction for certain offences mentioned in the section. This section also provides that any person convicted of any offence and sentenced to imprisonment for not less than two years shall be disqualified from the date of such conviction and shall continue to be disqualified for a period of six years since his release.

Disinvestment

1173. DR. M. JAGANNATH :

SHRI S. RAMACHANDRA REDDY :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have revised stand on Disinvestment;

(b) if so, the details thereof; and

(c) the present stand of the Government in regard to the role of the public sector in the economy of the country?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) The stand of the Government with regard to disinvestment and the role of Public Sector in the economy of the country is spelt out in the Common Minimum Programme. The Public Sector would continue to be an important component of the economy of the country.

Supply of Washed Coal to Power Plants

1174. SHRI SANDIPAN THORAT : Will the Minister of COAL be pleased to state :

(a) whether his Ministry has expressed its inability to supply washed coal with low ash contents to thermal power plants in the country;

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

(c) whether the Government propose to set up a committee to assess the techno-economic feasibilities of washed coal for power plants;

(d) if so, the details thereof; and

(e) the steps taken to meet the growing need of coal of power plants in eco-friendly manner?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (e) Coal India Ltd. are setting up two washeries at Bina (NCL) and Piparwar (CCL) for beneficiating non-coking coal. CIL have also initiated action to set up washeries under "Build-Own-Operate" scheme for supply of washed coal to power plants.

The Ministry of Environment & Forests have constituted an Expert Committee to examine the techno-economic issues of coal beneficiation for use by thermal power plants under the Chairmanship of Chairman, Central Pollution Control Board, Delhi. Representative of Ministry of Coal is also a member of the Committee. One of the terms of reference of the committee is to examine the techno-economic aspects of coal beneficiation and optimum ash reduction with particular reference to Indian Coals.

Review of Performance of Co-operative Banks

1175. SHRI NAMDEO DIWATHE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government review the performance of Co-operative Banks operating in the country;

(b) if so, the details of their performance and achievements vis-a-vis the targets fixed therefor during each of the last three years;

(c) whether the Government have formulated a plan of action to revitalise co-operative banks;

(d) if so, the details thereof and the funds allocated therefor with special reference to such banks in Maharashtra;

(e) the quantum of loans provided by the Co-operative Banks and number of farmers benefited therefrom during each of the last three years, State-wise, with position of loans outstanding and the percentage of defaulting small and marginal farmers and

(f) the steps taken to deal with the problem of bad debt and standing overdues?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The achievement with regard to Priority Sector Lending of all banks including cooperative banks is reviewed in the Block Level Bankers' Committee (BLBC), District Consultative Committee (DCC) and the State Level Bankers' Committee (SLBC). Further, the Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) also periodically review the performance of the cooperative banks. NABARD also conducts statutory inspections of cooperative banks at periodic intervals.

(b) to (e). The cooperative banks and the concerned State Governments have entered into Memoranda of Understanding (MOU) with NABARD. As a part of the MOU, the cooperative banks are required to prepare Development Action Plans (DAPs) so as to provide a focussed approach to their operations. The MOU also, inter-alia, seek a ban on announcements of generalised loan/interest waivers of interest subsidies, lifting of ban by State Governments on coercive recovery processes and support from State Governments in the recovery efforts. No funds have been specifically earmarked by NABARD to any cooperative bank under these MOU or as a part of these DAPs.

The details of performance of State Cooperative Banks (SCBs) as prepared by NABARD in regard to deposits and loans outstanding is given in the statement enclosed.

NABARD has further reported that the number of farmers benefited therefrom and the percentage of defaulting small and marginal farmers is not available with them.

(f) In order to improve recovery of agricultural advances, some States have enacted legislations on the basis of the model evolved by the Talwar Committee for recovering agricultural dues. As a part of the MOUs, the State Governments are required to refrain from announcing generalised loan/interest waivers. This is expected to improve the recovery climate further, in order to provide a greater transparency to the accounts of the cooperative banks. RBI has introduced prudential accounting norms for income recognition, asset classification and provisioning in SCBs and DCCBs from the year 1996-97.

STATEMENT

(Rs. in lakhs)

States/Union Territories	Loans Outstanding			Deposits		
	1992-93	1993-94	1994-95	1992-93	1993-94	1994-95
1	2	3	4	5	6	7
Andaman & Nicobar Islands	2113	2207	2500	2318	2746	3354
Andhra Pradesh	93838	95685	113521	42250	45505	39363
Arunachal Pradesh	923	1134	1433	3054	5098	5832
Assam	N.A.	N.A.	N.A.	15478	18024	19365
Bihar	43133	46823	36374	28450	23838	28392
Chandigarh	112	1806	2219	2156	0232	11849
National Capital Territory of Delhi	2414	1407	2219	7843	10118	11454
Goa	7084	9836	11697	9842	13786	16505
Gujarat	64219	4806	58506	70478	113115	15532
Haryana	56521	65351	76209	26271	29598	33853
Himachal Pradesh	11130	12832	12638	25800	31133	38633
Jammu & Kashmir	1706	1656	1724	2627	2691	3184
Karnataka	43744	38094	45201	41924	42868	44862
Kerala	34328	41133	49661	35668	50252	50159
Madhya Pradesh	80864	86943	89826	50758	56119	62356
Maharashtra	283873	226807	311894	277290	378439	360852
Manipur	2090	2063	2007	936	678	787
Meghalaya	2303	3058	3026	7163	8222	10168
Mizoram	1797	1844	2038	2383	2836	3249
Nagaland	1488	1644	1685	3401	3370	3729
Orissa	16544	19990	26243	8310	9950	12315
Pondichery	2952	3503	4628	3011	4602	4935
Punjab	47723	57363	81156	40267	59193	51401
Rajasthan	39159	42536	43597	18548	20975	23740
Tamil Nadu	84887	91453	137113	55050	66121	76409

1	2	3	4	5	6	7
Tripura	2852	2989	3290	2505	3001	3633
Uttar Pradesh	144295	135033	145861	94930	120863	127779
West Bengal	30485	31505	35629	28133	44361	48196
All India	1102677	1077911	1308967	906846	1169734	1181526

[Translation]

Setting up of Paper Mills

1176. SHRI NAWAL KISHORE RAI :
PROF. PREM SINGH CHANDUMAJRA :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to set up a paper mill in public sector in Barauni;

(b) if so, the details thereof alongwith its production capacity, estimated cost and employment opportunities to be generated therefrom;

(c) whether any time-limit has been fixed for the setting up of the paper mill; and

(d) if so, the details thereof alongwith the reasons for the selection of this site for setting up of mill?

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

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

Degradation of Coal

1177. SHRIMATI SUSHMA SWARAJ :
SHRI PREM SINGH CHANDUMAJRA :

Will the Minister of COAL be pleased to state :

(a) whether the Union Government have received complaints regarding supply of low grade coal by Coal India Ltd.;

(b) if so, the details thereof;

(c) whether the Government have fixed any responsibility in this regard; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). As per information received from Coal India Limited (CIL), during the period April 1996 to October 1996, 46 complaints on quality of coal representing around 0.34 number of complaint per million tonnes of coal supplied during the period were received by them.

(c) and (d). Depending on the type and nature of requirement of coal by the industries, linkage is established with due consideration of quality parameters

of coal. Coal being heterogeneous commodity and extracted from the earth's crust the possibility of slippage in quality cannot be ruled out. However, the complaints are examined on the merits of each case and corrective action is taken to redress the grievances of the consumers.

[English]

Poverty Alleviation and Self Employment Scheme

1178. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of FINANCE be pleased to state :

(a) whether Reserve Bank of India propose to set up a study group on integration and rationalisation of all credit linked poverty alleviation and self-employment schemes; and

(b) if so, the details thereof alongwith its composition and terms of reference?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). In a meeting with the representatives of some Ministries/Departments of Central Government, State Governments, Reserve Bank of India (RBI) and banks held in August, 1996 to review credit linked programmes, it was recognised that considering the large number of credit linked poverty alleviation and self-employment schemes sponsored by various Ministries of Government of India as also State Governments, there was a need for rationalisation of these schemes into simple categories with well understood procedures. The meeting also took into account the fact that these schemes were targeted towards different sections of society with their own characteristics. It was, therefore, recommended that RBI will constitute a Group to study and make detailed recommendations on the integration and rationalisation of schemes. Accordingly, a Group was formed with representatives of some State Governments, some public sector banks and a few Ministries of Central Government. The Group has since submitted its report.

More Power to SEBI

1179. SHRI RAMESHWAR PATIDAR :
SHRI SHIVRAJ SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to give more

power to the Securities and Exchange Board of India (SEBI) to regulate more effectively the functioning of the Capital Market; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The Securities Laws (Amendment) Act, 1995 has adequately strengthened SEBI's powers to ensure orderly functioning of the capital market. SEBI now has powers to impose monetary penalties for a number of violations, to issue directions to companies in matter relating to issue of capital and transfer of securities, to formulate regulations governing the capital market and to regulate the working of additional market intermediaries such as depositories, foreign institutional investors, credit rating agencies, venture capital funds and collective investment schemes. Such issues are under constant review by the Government.

[Translation]

Bank Loans to Commercial Sector

1180. SHRI SATYA DEO SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have recently issued certain instructions to the banks in the matter of providing loans to commercial sector;

(b) if so, the details thereof;

(c) the total amount of loans provided to commercial sector during 1995-96; and

(d) the amount of bank loans recovered from commercial sector alongwith the amount put under bad debts during 1994-95 and 1995-96?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). In the monetary policy for the second half of 1996-97, Reserve Bank of India (RBI) have announced further reduction of Cash Reserve Ratio (CRR) in phases from existing 12.0 per cent to 10.0 per cent. Each percentage point reduction in CRR would enhance the lendable resources of banks by about Rs. 4275 crores. RBI have also advised banks that alongwith the announcement of their PLR, banks should also announce the maximum spread over the PLR for all advances other than consumer credit. In the light of the measures announced by RBI, banks have responded by reducing their Prime Lending Rate (PLR) appropriately.

(c) The non-food credit of scheduled commercial banks as at end March, 1996 was Rs. 2,44,224 crores, and increase of Rs. 44,938 crores (22.5 per cent) over the previous year.

(d) As per information available from RBI, the amount of recovery of Non-performing Assets (NPAs) of nationalised banks during the years 1994-95 and 1995-96 were Rs. 3271.90 crore and Rs. 3258.76 crore respectively. The position of NPAs of these banks during the years 1994-95 and 1995-96 were Rs. 25114.50 crore and Rs. 26464.04 crore respectively.

[English]

Scrutiny of Sanctions by Bank Chiefs

1181. SHRI JAMG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem appeared in the "Indian Express" under the caption "RBI wants strict scrutiny of sanctions by bank chiefs" dated September 28, 1996;

(b) if so, the facts thereof; and

(c) the number of cases that have come to light where the authority to sanction the loan has been violated misused and the action taken thereon, bank-wise, during the recent past?

THE FINANCE MINISTER (SHRI P. CHIDAMBARAM) : (a) and (b). Yes, Sir. Half-yearly reviews of large advances sanctioned by the Chairman and Executive Directors of banks are done to verify that the top management of the bank are working within their delegated powers.

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

Border Trade with Myanmar and Bangladesh

1182. SHRI ISWAR PRASANNA HAZARIKA : Will the Minister of COMMERCE be pleased to state :

(a) the average volume of border trade transacted from the North-Eastern States to Myanmar and Bangladesh separately;

(b) whether there are any lists of approved items in respect of the above;

(c) if so, the details thereof; and

(d) the steps taken by the Government to promote and expand the border trade between the North-Eastern States and the neighbouring countries?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The total volume of border trade between India and Myanmar during the period 12.4.95 to 15.6.96 was of the order of Rs. 25.78 crores through the Moreh-Tamu route. There is no official border trade between India and Bangladesh at present.

(b) and (c). In the Indo-Myanmar border trade agreement of 21.1.94, 22 commodities have been identified for exchange including barter trade by people living along both sides of Indo-Myanmar border. These commodities include Mustard/Rape Seed, Pulses, and Beans, Fresh Vegetables, Fruits, Garlic, Onion, Chillies, Spices (excluding Nut Meg, Mace, Cassia and Cloves), Bamboo, Minor forest products excluding teak, Betel nuts and leaves, Food items for local consumption, Tobacco, Tomato, Reed Broom, Sesame, Resin, Coriander Seeds, Soyabean, Roasted Sunflower Seeds, Katha and Ginger. Border trade in other items are to be conducted as per Exim Policy in force.

(d) Steps taken by the Government to expand the border trade between North-Eastern States and neighbouring countries include improvement of infrastructural facilities along the trade routes, providing banking, immigration, customs and security arrangements at entry points and formalisation of trading norms.

Non-Payment of Arrears to Employees of P.N.B.

1183. DR. LAXMINARAYAN PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that many retired employees of the Punjab National Bank have not been given their pension so far;

(b) whether the Government are also aware that many such retired employees have also not been paid their arrears of pay and allowances arising from revision of wages w.e.f. July 1, 1993;

(c) if so, the number of such retired employees of the Punjab National Bank who are yet to get their pension and arrears of pay and allowances as on September 30, 1996; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). Punjab National Bank has reported that it has received options for pension from 2989 retired employees so far. Out of these, 1400 cases have already been sanctioned and disbursements have been made, while 1046 cases are in the process of calculation and sanction. The remaining 543 cases are pending for removal of discrepancies and for certain clarifications.

As regards payment of arrears of pay and allowances arising from revision of wages to the retired employees, the bank has reported that it has already advised all its offices/branches to make the payment of arrears of pay and allowances as admissible.

The bank has further reported that while it has not received any complaint with regard to non-payment of arrears of pay and allowances, it is once again advising all its offices/branches to make payments of arrears of pay and allowances to the remaining retired employees, if any.

Export of Toys

1184. SHRI KRISHAN LAL SHARMA : Will the Minister of COMMERCE be pleased to state :

(a) whether there is enough prospects of exporting toys from the country but the high rate of import duty on raw materials and other taxes are the hurdles in their exports; and

(b) if so, the measures proposed to be taken by the Government to boost the export of toys in the near future?

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

(b) The measures taken by the Government to boost the export of toys include, inter-alia, extension of market development assistance, liberalisation of policy and procedures, and promotion of measures like exchange of trade delegations, and dissemination of relevant information.

[Translation]

Bank Loan to SSI in Gujarat

1185. SHRI N.J. RATHWA : Will the Minister of FINANCE be pleased to state :

(a) the total number of applications received by the nationalised banks in the country especially in the backward/rural/tribal regions of Gujarat during the last three years for loans from the small scale industrial units;

(b) the total number of applications accepted and rejected separately during the above period;

(c) the average of loan per application sanctioned, State-wise;

(d) whether the banks advanced loans in time to applicants/small scale units to save them from turning sick;

(e) if not, the reasons therefor; and

(f) the number of cases of irregularities in grant of loan came to the notice of the Government and the action taken or proposed to be taken thereon during the above period?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The data reporting system of the Reserve Bank of India (RBI) does not generate such information.

(d) and (e). RBI has reported that it had conducted a sample study during February/March 1996 with a view to ascertaining the progress made by banks in implementation of Nayak Committee recommendations. It was observed from the scrutiny of reports on the bank branches covered by the study that in respect of 10.28% of the loan applications, there was delay in disposing the applications. Delay was attributed inter alia to non submission late submission of requisite documents by applicants, delay in obtaining no-due certificates, change in the activity of the borrowers, delay in obtaining power/water connections and lack of response from the applicants.

(f) Complaints from small scale industrial borrowers received in the Government generally pertain to inadequacy of assistance and delay in obtaining loans from banks. Such complaints are taken up with banks concerned for corrective measures.

[English]

Fiscal Deficit

1186. SHRI R. DEVADASS : Will the Minister of FINANCE be pleased to state :

(a) whether the impact of the recent Postal/Telecom strike is reported to have cost the Government Rs. 1000 crores;

(b) if so, the extent to which the fiscal deficit is likely to increase further as a result thereof; and

(c) the measures proposed to be taken to contain the fiscal deficit at minimum?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). It is not possible to make an estimate at this stage. The position will be reflected in the Revised Estimates of Revenue and Expenditure for 1996-97 which will be finalised in due course.

(c) Government will endeavour to contain the fiscal deficit by maximising revenues and controlling expenditure.

[Translation]

Recovery of Loan from Industrial/ Agricultural Sectors

1187. SHRI R.L.P. VERMA : Will the Minister of FINANCE be pleased to state :

(a) the comparative details in regard to the recovery

of bank loans from industrial and agricultural sectors, State-wise, with a special reference to Bihar, as on 31 October, 1996;

(b) the details of such loans given during each of the last three years in the agricultural and industrial sectors, State-wise, particularly in Bihar; and

(c) the steps proposed to be taken to give more loans to the agriculture sector?

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 to the extent available.

Development of Handloom Industry

1188. SHRI LALIT ORAON :

SHRI S.P. JAISWAL :

SHRI SOHAN VEER SINGH :

Will the Minister of TEXTILES be pleased to state:

(a) the quantum of handloom textiles manufactured in the country during the last three years, State-wise;

(b) the financial assistance provided by the Government for the promotion of handloom industry during the said period, State-wise; and

(c) the steps taken by the Government to promote the handloom industry in the tribal areas in the country particularly in Uttar Pradesh and Bihar?

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

(a) Handloom Industry is decentralised in nature and upkeep of data regarding production of cloth (State-wise) in this sector is difficult. The quantum of handloom cloth produced in the country during last three years is as follows :-

Year	Total Production (in million Sq. Mtrs.)
1993-94	5851
1994-95	6028
1995-96	7020

(b) The financial assistance provided by the Government for the promotion of handloom industry during last three years (state-wise) is enclosed as statement.

(c) All the Government Schemes are implemented for the benefit of the handloom weavers of all over the country including those belonging to tribal areas of Uttar Pradesh and Bihar also. Financial assistance is released on the basis of proposals received from State Governments & UTs as per guidelines of the schemes.

STATEMENT

(Rs. in lakhs)

S.No.	State	Funds released		
		1993-94	1994-95	1995-96
1	2	3	4	5
1.	Andhra Pradesh	3,063.13	2,853.66	2,110.81
2.	Arunachal Pradesh	-	87.00	4.50
3.	Assam	1,247.08	1,658.24	1,433.85
4.	Bihar	577.37	681.25	659.48
5.	Delhi	19.23	8.25	65.53
6.	Gujarat	461.87	301.76	99.05
7.	Haryana	69.39	56.27	98.84
8.	Himachal Pradesh	118.48	165.69	151.07
9.	Jammu & Kashmir	123.85	96.98	212.19
10.	Karnataka	1,616.85	1,625.83	1,243.05
11.	Kerala	639.83	1,453.37	938.12
12.	Madhya Pradesh	755.00	570.32	696.31
13.	Meghalaya	0.20	13.05	4.56
14.	Maharashtra	1,177.88	1,348.22	917.68
15.	Manipur	273.82	829.25	240.80
16.	Mizoram	10.00	18.94	30.03
17.	Nagaland	-	56.00	71.32
18.	Orissa	1,629.59	1,695.54	1,534.53
19.	Pondicherry	64.42	34.62	27.33
20.	Punjab	91.70	7.13	38.74
21.	Rajasthan	500.56	246.51	527.34
22.	Sikkim	-	3.04	-
23.	Tamil Nadu	4,020.75	4,723.93	5,020.60
24.	Tripura	165.89	291.64	243.35
25.	Uttar Pradesh	3,921.64	1,968.78	1,515.34
26.	West Bengal	1,240.79	2,759.18	2,002.11

Recovery of Bank Loans

1189. DR. MURLI MANOHAR JOSHI : Will the Minister of FINANCE be pleased to state :

(a) the amount of loans as on January 1, 1994 owed to banks and other financial institutions, separately, the recovery of which had become difficult;

(b) the number of cases and the amount involved therein, referred to each of the recovery Tribunals, upto March, 1996;

(c) the number of cases decided by each of the Tribunals till March 1996 and the amount involved therein; and

(d) the total amount of loan recoveries made by the banks since the setting up of the Tribunals?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The amounts of Non-performing assets/Bad debts of public sector banks and financial institutions during 1993-94 (maintained on financial year basis) have been Rs. 41041.33 Crores and Rs. 835.29 crores respectively.

(b) to (d). The information is being collected and will be laid on the Table of the House to the extent available.

[Translation]

Setting up of Industrial Development Centres

1190. JUSTICE GUMAN MAL LODHA :

PROF. PREM SINGH CHANDUMAJRA :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have decided to restore earlier suspended scheme for setting up of industrial development centres in the industrially backward areas;

(b) if so, the details thereof;

(c) whether the Government have taken any steps to remove the obstacles prior to restore the said scheme;

(d) if so, the details thereof alongwith the number of development centres proposed to be set up in the first phase of the scheme; and

(e) the time by which there are likely to be set up?

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

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

Gaslitand Disaster

1191. PROF. RITA VERMA :

SHRI HARADHAN ROY :

Will the Minister of COAL be pleased to state :

(a) the amount spent on the safety measures in the coal mines during each of the last three years and in the current year upto June 30, 1996;

(b) the amount spent on rescue operation relating to Gaslitand disaster therefrom;

(c) the number of dead bodies recovered so far and the number of coal workers whose bodies are yet to be extracted;

(d) the steps taken by the Government to take out the remaining dead bodies from the mines;

(e) the details of the compensation provided to the dependents of the victims;

(f) whether most of the dependents of the victims are facing difficulties in getting death certificates in respect of killed workers; and

(g) if so, the details thereof and the steps taken by the Government to provide compensation/insurance claims to the dependents of the victims?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Safety is an inherent aspect of operations in coal mining. As such, revenue expenditure made on some of the safety components can not be distinctly segregated from production expenditure. However, the amount spent on major safety-oriented items by Coal India Limited (CIL), both capital and revenue, during 1993-94, 1994-95, 1995-96 and 1996-97 (upto June 30, 1996) is as under:

(figures in Rs. lakhs)

Year	Capital	Revenue
1993-94	21.47	282.82
1994-95	25.87	323.52
1995-96	52.57	357.47
1996-97 (upto June) 96	15.83	128.47

(b) A sum of Rs. 11.53 crores has been incurred on rescue operations relating to Gaslitand mine disaster as on 20.10.1996.

(c) and (d). Dewatering of Gaslitand mine was carried out by installation of submersible pumps in the pits of the mine. When the water level was lowered to a level of 25 metre RL, indication of fire in old connected working was noticed and the water level was allowed to rise upto 36 metre RL. Remnants of 5 bodies were located through No. 6 pit of Gaslitand by the rescue team. Further 59 bodies could not be recovered due to non-lowering of water level. As per the decision of the Rescue and Recovery Committee, under Mines Rescue Rules, 1985, it is not considered safe to lower the water level beyond 36 metre RL.

(e) The details of the compensation provided to the dependents of the victims are given as under :-

(In Rupees)

Relief measures	Amount paid to the dependent of each victim
1	2
1. Funeral expenses	1,000/-
2. Ex-gratia as per National Coal Wage Agreement IV (NCWA IV)	10,000/-
3. Life cover (NCWA IV)	15,000/-
4. Life assurance benefit	2,000/-

1	2
5. Financial assistance from benevolent fund	5,000/-
6. Ex-gratia announced by MOS (C)	75,000/-
7. Ex-gratia announced by State Chief Minister	50,000/-
8. Ex-gratia announced by Central Consultative Committee of Union & Management	51,000/-
9. Compensation	As per Workmen's Compensation Act
10. Gratuity	As per Gratuity Act
11. Employment to dependent	One employment
12. Education of the Children of the deceased	RK Mission Residential School, Madhupur has offered admission of one child below 10 years for each of the affected families.
13. Construction of residential houses for the affected families.	Houses to be provided under Indira Awas Yojna

(f) and (g). Out of a total of 64 cases, 62 death certificates have been issued upto 7.11.1996. The recipients of the remaining two cases are out of station. On their return, action will be taken to issue death certificates.

Bank Officials Involved in Frauds

1192. SHRIMATI SUBHAWATI DEVI : Will the Minister of FINANCE be pleased to state : the details of bank officials in the private and public sector banks arrested and proceeded against departmentally because of their involvement in frauds and other cases in the banks during the last one year and the action taken against them for recovery of the losses.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : The Reserve Bank of India have reported that the present data reporting system in RBI does not generate information in the manner sought in the Question. However, the information as available with RBI relating to the details of action taken against delinquent employees of public sector banks for their involvement in frauds for the year 1995 is given in the enclosed statement.

The amounts involved in cases of frauds do not necessarily represent the actual losses to the banks as the banks cover themselves with comprehensive blanket insurance policies against infidelity, theft, robbery, etc. Besides, they generally have some securities to cover

advances extended by them. They also file civil and criminal cases against the culprits and seek appropriate reliefs. Hence, the final position of loss is known only after available securities are realised and claims of banks under insurance cover are settled.

STATEMENT

Bank-wise Action Taken against the delinquent employees of Public Sector Banks for their Involvement in Frauds during the Year 1995

Name of the Bank	Convicted	Awarded major/minor penalties	Out of (3) dismissed/discharged/removed	No. of employees against whom prosecution is pending in the Court	No. of employees against whom departmental proceedings are pending
State Bank of India	16	199	49	131	464
State Bank of Bikaner & Jaipur	01	33	-	12	34
State Bank of Hyderabad	-	18	04	07	29
State Bank of Indore	-	01	-	22	29
State Bank of Mysore	01	10	04	19	61
State Bank of Patiala	-	06	04	09	19
State Bank of Saurashtra	-	09	-	25	07
State Bank of Travancore	-	16	04	-	14
Allahabad Bank	-	35	03	09	81
Andhra Bank	05	27	08	29	75
Bank of Baroda	-	23	03	37	99
Bank of India	-	37	21	16	63
Bank of Maharashtra	-	30	12	12	67
Canara Bank	-	96	30	07	124
Central Bank of India	-	58	23	17	117
Corporation Bank	03	17	06	24	4
Dena Bank	-	27	05	53	35
Indian Bank	-	71	04	30	163
Indian Overseas Bank	02	82	13	08	56
Oriental Bank of Commerce	-	04	02	10	22
Punjab National Bank	01	169	29	100	425
Punjab & Sind Bank	03	26	05	49	84
Syndicate Bank	01	50	36	42	97
Union Bank of India	-	28	10	-	34
United Bank of India	-	32	10	33	92
UCO Bank	-	39	12	23	116
Vijaya Bank	-	17	04	53	50
Total	33	1160	301	777	2461

(Data Provisional)

[English]

Regularisation of Private Financial Institutions

1193. SHRI K. PARASURAMAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have any proposal to regulate the private financial institutions in the country;

(b) whether the Government propose to restrict the activities of unincorporate financial companies in Tamil Nadu; and

(c) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The deposit acceptance activities of Non-Banking Financial Companies (NBFCs) are being governed by directions issued by Reserve Bank under Chapter-III of the Reserve Bank of India Act, 1934. When the RBI comes across violation of the directions of a serious nature, a show cause notice is issued to the concerned company and if reply thereto is not satisfactory, drastic action such as issue of prohibitory order/initiation of prosecution proceedings is taken.

(b) and (c). Action has already been initiated to make necessary amendments in the statutory provisions to restrict the activities of unincorporated bodies in the country.

Housing Finance Companies

1194. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) the number of housing finance companies working in the public sector and the details of the amount of the loan sanctioned by each company for building houses;

(b) the rate of interest being charged by these companies;

(c) whether the Government have a proposal to bring down the rate of interest; and

(d) if so, the details thereof?

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

Sale of Surplus Land of NTC

1195. SHRI RAM NAIK : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have decided to sell the surplus land belonging to National Textile Corporation Mills in Mumbai; and

(b) if so, the total surplus land available with each mill of the National Textile Corporation in Mumbai?

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

(a) The Government have approved a Turn Around Plan for NTC Mills involving, inter-alia, modernisation of 79 Mills at an outlay of Rs. 2005.72 crores which will be raised through sale of surplus lands and assets of Mills, including those in Mumbai. The plan has been placed before the BIFR for its approval. The sale of land can be made only after approval by the BIFR.

(b) A statement is enclosed indicating the total surplus land available with each of the NTC Mills in Mumbai.

STATEMENT

(In acres)

1.	India United No. 1	8.71
2.	India United No. 2, 3 & 4	9.72
3.	India United No. 5	1.41
4.	India United No. 6	3.92
5.	Apollo	9.51
6.	Digvijay	1.31
7.	Bharat	2.37
8.	Jupiter	10.91
9.	Mumbai	6.90
10.	New Hind	8.33
11.	Kohinoor (Mill Nos 1, 2 & 3)	19.40
12.	Tata	10.62
13.	Jam Mfg.	8.05
14.	Elphinstono	8.49
15.	Madhusudan	18.05
16.	Sita Ram	14.48

[Translation]

Export of Fruits and Vegetables

1196. SHRI MOHAMMAD ALI ASHRAF FATMI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to set up any corporation for channelising the export of fruits and vegetables; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) There is no proposal under consideration of this Ministry for setting up of a Corporation for channelling the export of fruits and vegetables.

(b) Does not arise.

Theft of Gold of MMTC

1197. DR. BALIRAM : Will the Minister of COMMERCE be pleased to state :

(a) whether thirty kilogram of gold valued at rupees one hundred and twenty five crore is missing from the coffers of the Minerals and Metals Trading Corporation of India Ltd. during the last three years;

(b) if so, the details thereof; and

(c) the action being taken by the Government against the persons involved therein?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Against a quantity of 36487 kgs. of gold released for Export of gold jewellery by MMTC from 1993-94 to 1995-96, MMTC has reported a default of 172 kgs. of gold valued at Rs. 6.88 crore as outstanding against a few exporters in exporting gold jewellery under gold loan schemes operated by them.

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

[English]

Export of Rice

1198. SHRI TARIQ ANWAR : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of Indian rice have come to standstill recently due to availability of cheaper rice in other countries;

(b) if so, the details thereof; and

(c) the steps taken by the Government to boost the export of rice and to compete with the International Market?

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

(b) Does not arise.

(c) Steps taken to enhance exports of rice include removal of Minimum Export Price and Quantity restrictions, permitting Food Corporation of India to export/sell for export 5 lakhs metric tonnes of fine and superfine rice from the Central Pool during 1996-97, provision of concessional credit, product development to meet international needs, assistance to exporters for

improved packaging, strengthening of quality control, promoting export of identified products through brand promotion campaigns, arranging buyers-seller meets and participation in international fairs/exhibitions.

[Translation]

Heavy Engineering Corporation Ltd.

1199. SHRI RAM TAHAL CHAUDHARY : Will the Minister of INDUSTRY be pleased to state :

(a) whether casual labourers working for the last twenty years in Heavy Engineering Corporation Ltd. have not been made regular so far;

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

(c) the present number of casual labourers working therein alongwith the number of those who have been working regularly for the last five or more years in this company?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Heavy Engineering Corporation Limited has reported that as per their available records there is no instance of a casual labour being deployed continuously in the Corporation for the last twenty years.

(c) Nil.

Synthetic bag manufacturing Industry

1200. SHRI MAHESH KUMAR M. KANODIA : Will the Minister of INDUSTRY be pleased to state :

(a) whether synthetic bag manufacturing industry is on the verge of closure;

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

(c) the steps being taken by the Government to encourage the use of synthetic bags so as to protect the interests of the persons involved therein?

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

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

[English]

Voluntary Retirement Scheme

1201. KUMARI SUSHILA TIRIYA :
SHRI R. SAMBASIVA RAO :

Will the Minister of INDUSTRY be pleased to state:

(a) whether there is any proposal to make Voluntary Retirement Scheme more attractive and for enhancement of ex-gratia payment in Public Sector Undertakings; and

(b) if so, the details thereof alongwith the date from which enhancement is likely to be implemented?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Consideration of various schemes, including that for Voluntary Retirement, is a continuous process with a view to making improvements as may be needed.

[Translation]

National Institute of Fashion Technology

1202. SHRI JAGDAMBI PRASAD YADAV :

SHRI P.C. THOMAS :

Will the Minister of TEXTILES be pleased to state:

(a) the places where branches of NIFT have been opened in the country so far, State-wise; and

(b) the location of such branches likely to be opened during the current financial year, State-wise?

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

(a) five branches of NIFT have been opened in the country so far in the following places :-

Place	State
Calcutta	West Bengal
Gandhinagar	Gujarat
Hyderabad	Andhra Pradesh
Madras	Tamilnadu
Mumbai	Maharashtra

(b) At present, there is no provision for opening of any new NIFT branch during the current financial year.

Cement Corporation of India

1203. SHRIMATI CHHABILA ARVIND NETAM : Will the Minister of INDUSTRY be pleased to state :

(a) the number of Cement Corporation of India units set-up in Madhya Pradesh;

(b) the number of units lying closed and since when;

(c) the number of employees affected due to closure of these units; and

(d) the steps being taken by the Government to revive these closed units?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) 3 (three).

(b) to (d). None of the units in Madhya Pradesh has been closed. However, production in the Mandhar Unit has been suspended since 6.6.96 due to non-viable operations. However, workers numbering 577 are being paid wages and salary as per rules.

[English]

Export of Foodgrains

1204. SHRIMATI VASUNDHARA RAJE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have formulated any export policy on foodgrains;

(b) if so, the details thereof;

(c) whether the Government have received any request from the neighbouring countries for importing Indian wheat and other types of foodgrains during 1996-97;

(d) if so, the details thereof with its quantity, country-wise and item-wise; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). The current Export and Import Policy provisions regarding export of foodgrains are as under :-

(i) Basmati Rice - Exports allowed subject to registration of contracts with Agricultural and Processed Food Products Export Development Authority (APEDA);

(ii) Non-Basmati Rice (fine and super varieties - Exports allowed without quantitative and price restrictions; and

(iii) Wheat and Wheat products, Grain and flour of Barley, Maize, Bajra, Ragi, Jowar (excluding Hybrid Jowar grown as khariff crop) - Exports allowed against quantitative ceilings and minimum export price as may be notified by DGFT from time to time and Registration-cum-Allocation Certificates (RCACs) issued by APEDA.

For the current year a ceiling of 10 lakh tonnes of non-durum wheat and 5 lakh tonnes of durum wheat has been released for exports. Further, Food Corporation of India (FCI) has been authorised to export/sell for exports 5 lakh tonnes of fine and superfine varieties of rice and 5 lakh tonnes of non-durum wheat from the public stocks against the carry-over commitment made in 1995-96. However, in case of wheat the quantity to be exported/sold for exports by FCI would be within the overall ceiling of exports of wheat. A ceiling of 1 lakh metric tonnes of coarse grains has been released for exports. A ceiling of 1.50 lakh metric tonnes of wheat products has been released for exports during the period 1.10.1996 to 31.3.1997.

(c) and (d). Govt. of Nepal has requested for supply of 45,000 MTs of wheat at concessional rates.

(e) The ceiling earmarked for exports of wheat for the current year has been exhausted. Hence it has not been possible, so far, to accede to the request of Govt. of Nepal.

Bonus

1205. SHRI GEORGE FERNANDES : Will the Minister of FINANCE be pleased to state :

(a) The additional charge on the exchequer on account of the lifting of the ceiling on bonus paid to Government employees including those in the Railways, Post and Telegraph and other departmental Undertakings;

(b) whether the provision has been made in the budget for this payment; and

(c) if not, the manner in which this payment is proposed to be effected?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The additional expenditure on Government employees including those in the Railways, Post & Telegraph etc. would be approximately Rs. 219 crores. The payment of bonus to the employees of Public Undertakings is made as per the provisions contained in the Payment of Bonus Act, as amended from time to time.

(b) This being a post budget development, the question of making provision in the Budget does not arise.

(c) Payments would have already been made by the Ministries/Departments from their existing sanctioned provisions in their Grants. If as a result, the Grants are likely to be exceeded, necessary provisions would be allowed to be made through Supplementary Grants. Railways and Telecom will however meet the additional liabilities from their own resources.

**Unfair Trade Practices adopted by
DDA and Other Organisations**

1206. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to state :

(a) whether the M.R.T.P. Commission has been looking into the unfair trade practices of Colgate

Palmolive India Ltd., Hindustan Lever Ltd., Saurashtra Ballpen Co., Philips Radio and Delhi Development Authority;

(b) if so, the progress made in those cases so far;

(c) whether the Government are aware that the Delhi Development Authority is selling its flats constructed in 1992 or before and sent for allotment to its housing department but remained unallotted at enhanced rates; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The MRTP Commission have instituted Unfair/Restrictive Trade Practice Enquiries against Colgate Palmolive India Ltd., Hindustan Lever Ltd., Saurashtra Ballpen Co., Philips India Limited and Delhi Development Authority. These are at different stages of consideration before the MRTP Commission. A Statement showing the details of these Enquiries and their present position is given in the statement enclosed.

(c) and (d). The flats constructed by the Delhi Development Authority (DDA) are allotted to the prospective registrants soon after the same are completed in all respects. The time gap between completion and allotment is kept to the minimum possible. In few cases, however, some allottees do not pay the demanded amount in time while others surrender their flats because of personal problems or otherwise which leads to cancellation of allotment of such flats. Surrendered and cancelled flats are then re-allotted by the DDA to the waiting registrants at the then prevailing prices. The Supreme Court of India has already heard the pricing policy of DDA in the Civil Appeal No. 6205/94 in the matter of DDA Vs. Pushpender Kumar Jain and delivered a judgement according to which the rates prevailing on the date of communication of allotment would be applicable. The matter was also referred by the MRTP Commission to the Director General of Investigation & Registration, but further proceedings were dropped in view of the aforesaid judgement.

STATEMENT

The details of Unfair and Restrictive Trade Practice Enquiries Instituted by the MRTP Commission and their Present Position

S.No.	Name of the Respondent	Enquiry No.	Present position/next date of hearing before the Commission
1	2	3	4
1.	M/s. Colgate Palmolive (India) Ltd.	UTPE No. 91/95	29.4.1997
2.	M/s. Colgate Palmolive (India) Ltd.	RTPE No. 23/94	30.1.1997
3.	M/s. Colgate Palmolive (India) Ltd.	RTPE No. 295/95	28.11.1996
4.	M/s. Hindustan Lever Ltd.	UTPE No. 38/92	18.12.1996

1	2	3	4
5.	M/s. Hindustan Lever Ltd.	UTPE No. 225/96	PIR awaited from D.G. (I&R)
6.	-do-	RTPE No. 76/92	28.11.1996
7.	-do-	RTPE No. 22/94	30.1.1997
8.	-do-	RTPE No. 89/94	3.12.1996 & 4.12.1996
9.	-do-	RTPE No. 98/94	3.12.1996 & 4.12.1996 Posted before Full Bench
10.	Philips India Ltd.	UTPE No. 80/96	PIR under consideration of Commission
11.	M/s. Saurashtra Ballpen Pvt. Ltd.	RTPE No. 156/86	Prosecution will be considered on 16.12.1996.
12.	Delhi Development Authority	UTP No. 12/93	The case is listed for consideration on 22.12.1996
13.	-do-	RTP No. 121/94	The case is listed for consideration on 27.2.1997
14.	-do-	RTP No. 133/94	The case is listed for consideration on 20.12.1996.
15.	-do-	CA 242/94	The case is listed for consideration on 3.2.1997
16.	-do-	UTP 73/95	-do-
17.	-do-	UTP 74/96	-do-
18.	-do-	UTP 115/96	The case is listed for consideration on 22.4.1997
19.	-do-	RTP 5/95	The case is listed for consideration on 13.12.1996
20.	-do-	RTP 229/95	The case is listed for consideration on 20.1.1997

UTPE means Unfair Trade Practice Enquiry
 RTPE means Restrictive Trade Practice Enquiry
 CA means Compensation Application
 PIR means Preliminary Investigation Report

Cancellation of Deep Sea Fishing Licences

1207. SHRI R. SAMBASIVA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government are aware of the setback received by the traditional fish catchers consequent on providing licences to the foreign companies;

(b) if so, the details of foreign companies which have been granted such licences together with the terms and conditions thereof;

(c) whether the Government are contemplating a policy to cancel deep sea fishing licences issued to the foreign companies;

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

(e) the action taken by the Government to safeguard the interest of the traditional fish catchers?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). The marine fish production has increased from 25.76 lakh tonnes in 1992-93 to 27.07 lakh tonnes in 1995-96. the contribution of deep sea fishing sector is only about 30,000 tonnes out of the above and the remaining production is from the traditional and small scale mechanised sector, which would indicate that there is no decline in the production of fish of the traditional sector.

(c) and (d). In view of the recommendation of the Review Committee on Deep Sea Fishing the Government have decided that action for cancellation of valid permits/permissions granted under the Charter scheme and the new Deep Sea Fishing Policy of 1991 for Joint Venture and Leasing will be taken in individual cases for violation of provision of the Maritime Zone of India Act., 1981, rules framed there under and/or terms

and conditions of such permits/permissions in consultation with Ministry of L

(e) Specific areas are earmarked for fishing exclusively for traditional fishermen by respective State Governments under the respective Marine Fishing Regulation Acts/Rules. These areas range from 5 to 10 kms. from the shore and vary from State to State. Facilities for search and rescue of fishermen at time of distress, regular weather forecasting and storm warning measures are some of the important actions taken to safeguard the interests of the traditional fishermen.

[Translation]

Insurance Claims of Motor Accidents

1208. PROF. RASA SINGH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the number of claims pending with National Insurance Company Ltd. relating to motor accidents in Rajasthan since 1992 and the number of claims out of them settled so far;

(b) the amount of compensation paid against the claims settled during the said period, year-wise;

(c) the details of complaints received by the National Insurance company Ltd. in regard to non-payment of compensation against these claims during the same period in Rajasthan; and

(d) the action taken or proposed to be taken against the persons found guilty therein?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The number of claims pending with National Insurance Co. Ltd. relating to motor accidents in Rajasthan since 1992 was 4193. The number of claims settled so far, out of them, was 2109.

(b) The requisite information is as under :-

Year	Amount (Rs. Crores)
1992-93	2.10
1993-94	2.30
1994-95	4.10
1995-96	4.20
Total	12.70

(c) There was no specific complaint for non-payment of compensation because the matters are dealt through court of law.

(d) Question of taking action does not arise as court orders were complied. Where compensation is not paid appeals have been filed. Action will be taken as per rules, if any one is found guilty.

Bilateral Investment Agreements

1209. SHRI JAI PRAKASH (Hardoi) : Will the Minister of FINANCE be pleased to state :

(a) the names of the countries with whom Government have signed bilateral investment agreements during each of the last three years;

(b) the total amount of capital investment made in the country after signing these agreements during each of the last three years;

(c) whether this capital investment proved far below the targets fixed in that regard;

(d) if so, the reasons therefor; and

(e) the steps being taken by the Government to remedy the situation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Bilateral Investment Promotion & Protection Agreements have been signed during each of the last three years as under :

1994	1995	1996
UK and Russian-Federation.	Germany, Malaysia, Denmark, Turkmenistan, The Netherlands, Italy & Tajikistan.	Israel, South Korea, Poland and Czech Republic

(b) The actual inflow of foreign direct investment during these three years are as under :

(Rs. crore)		
1994	1995	1996 (upto Aug.)
2981.85	6370.16	5714.66

(c) to (e). Bilateral Investment Promotion & Protection Agreement (BIPA) is a measure to build confidence in the minds of foreign investors. Actual investment inflows depend on a number of factors, one among them being the existence of BIPA.

Development of Trade Fair Grounds

1210. SHRI JAI PRAKASH AGARWAL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have received any request from Confederation of Indian Industries (CII) for the development of trade fair grounds in the metropolitan cities of the country;

(b) if so, the details thereof;

(c) whether any agreement has also been signed for organising joint trade fairs in the country and abroad;

(d) if so, the details thereof; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). No, Sir. Ministry of Commerce have not received any request from Confederation of Indian Industries for the development of trade fair grounds in the metropolitan cities of the country.

(c) and (d). Ministry of Commerce have not entered in any agreement for organising joint trade fairs in the country and abroad.

(e) This Ministry have requested CII to prepare an Approach Paper for development of Trade Fair Complexes in the country. State Governments have also been requested to consider setting up of Permanent Exhibition Complexes.

[English]

Handloom Development Centres

1211. DR. T. SUBBARAMI REDDY : Will the Minister of TEXTILES be pleased to state :

(a) the number of proposals received for setting up of Handloom Development Centres and Quality Dyeing Units during the last three years. State-wise;

(b) the number of Handloom Development Centres and Quality Dyeing Centres sanctioned and set up out of it, State-wise; and

(c) the reasons for not sanctioning the remaining proposals, State-wise?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) to (c). During last three years, the State Governments had sent viable proposals for 1198 Handloom Development Centres and 236 Quality Dyeing Units, which were duly considered and Central Grant sanctioned. Besides locations for 181 Handloom Development Centres and 46 Quality Dyeing Units were also approved to facilitate Cash Credit tie up. A statement showing state-wise number of Handloom Development Centres and Quality Dyeing Units sanctioned is enclosed.

STATEMENT

S.No.	State	No. of HDCs sanctioned	No. of QDUs sanctioned
1	2	3	4
1.	Andhra Pradesh	127	40
2.	Assam	103	-
3.	Bihar	49	16
4.	Gujarat	6	-

1	2	3	4
5.	Haryana	1	-
6.	Himachal Pradesh	10	1
7.	Jammu & Kashmir	3	-
8.	Karnataka	23	4
9.	Kerala	82	8
10.	Madhya Pradesh	28	6
11.	Manipur	137	7
12.	Maharashtra	20	3
13.	Nagaland	2	-
14.	Orissa	141	35
15.	Rajasthan	1	-
16.	Tamil Nadu	248	28
17.	Tripura	13	10
18.	Uttar Pradesh	83	50
19.	West Bengal	136	28
20.	Pondicherry	5	-
Total		1198	236

[Translation]

High Court Benches

1212. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the main recommendations of Jaswant Singh Commission with regard to setting up of benches of various High Courts of the country;

(b) whether the Government have accepted these recommendations; and

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

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c). The Jaswant Singh Commission recommended establishment of benches of Allahabad, Madhya Pradesh and Madras High Courts at Agra, Raipur and Madurai respectively. The Commission also made general recommendations on the broad principles and criteria to be followed in the matter of establishing High Court benches. The report which was presented to the Government by the Commission on 30.4.85 was placed in the Parliament Library on 15.10.86 and was laid on the Table of the Lok Sabha on 21.4.87. Specific recommendations of the Commission regarding the three High Courts were referred to the Governments of Uttar Pradesh, Madhya Pradesh and Tamil Nadu in October, 1986 for views/comments, in consultation with the Chief Justices of the respective High Courts. The general recommendations of the Commission were sent

to all the State Governments in September, 1987 for information and guidance. No specific, complete proposal has been received from any of the State Governments, in consultation with the Chief Justice of the concern High Court, for establishment of benches of High Courts away from their principal seats. In view of this, it is not possible for the Central Government to take further action in the matter.

[English]

Excise Duty Evasion by Tobacco Manufacturers

1213. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Excise officials have busted a racket in excise duty evasion by chewing tobacco manufacturers worth over Rs. 30 crore;

(b) if so, the modus operandi of evasion of excise duty;

(c) the steps taken to recover the same; and

(d) the measures taken to stop this racket of excise evasion by these chewing tobacco manufacturers?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). Acting on intelligence, premises of certain manufacturers of chewing tobacco were raided by Central Excise Officers of Delhi Commissionerate.

Investigations conducted revealed that these manufacturers were manufacturing and removing the preparations of chewing tobacco without payment of duty and without obtaining Central Excise Registration. The duty evaded is estimated to the tune of Rs. 35 crores.

Recovery proceedings can be initiated only after adjudication in accordance with provisions of Central Excise Act and the Rules made thereunder.

Regarding the measures to stop evasion, preventive checks have been intensified including increased surveillance on the activity of chewing tobacco manufacturers.

Setting up of EOUs in Orissa

1214. SHRI SOUMYA RANJAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have received any proposal to set up cent percent Export Oriented Units in Orissa; and

(b) if so, the details thereof and the time by which these units are likely to be set up?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). 46 proposals have been approved for setting up Export Oriented Units in Orissa out of which eight units

are already operational. Seven units are presently in various stages of implementation and two proposals are under consideration of the Government.

Merger of Insurance Schemes

1215. SHRI SHANTILAL PARSOTAMDAS PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to merge various insurance schemes like Hut Insurance Scheme, Personal Accident Insurance Scheme, Social Security Scheme etc. of General Insurance Corporation; and

(b) if so, the details thereof and the efforts being made to ensure that these schemes cover all those persons who live below the poverty line?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Hut Insurance Scheme is intended to provide relief to the poor families in rural areas, whose annual income from all sources does not exceed Rs.4,800/-, when their huts and belongings in the huts get destroyed by the fire. The Personal Accident Social Security Scheme for poor families (PASS) covers, all earning members, both in urban and rural areas, in the age group of 18 to 60 years whose total family income from all sources does not exceed Rs.7,200/- per annum, against accidental deaths. As the purpose of the covers, and the target groups covered are different under the two schemes, no proposal is under consideration of the Govt. to merge them into a single scheme.

Losses in HMT

1216. SHRI BANWARI LAL PUROHIT : Will the Minister of INDUSTRY be pleased to state :

(a) whether the losses of the Hindustan Machine tools has been increasing day by day;

(b) if so, the details thereof alongwith the losses suffered by HMT during each of the last three years;

(c) the factors responsible for such losses; and

(d) the steps taken by the Government to make the HMT out of red?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). The losses incurred by HMT during the last three years are as under:

Year	Rs. in cr.
1993-94	119.26
1994-95	79.20
1995-96	55.89

(c) The factors responsible for losses in HMT include stiff competition, product obsolescence and high overheads etc.

(d) HMT has taken steps to modernise its operations and improve the functioning of its weaker units. The steps taken include: locating joint venture partners for technology transfer, financial investments, modernisation etc.

Export of Foodgrains

1217. SHRI SURESH PRABHU :

SHRI TARIQ ANWAR :

Will the Minister of COMMERCE be pleased to state:

(a) whether some countries have rejected the Indian foodgrains particularly wheat exported to them;

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

(c) the steps by the Government to remedy the situation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). A small number of consignment of wheat from India were detained by the Turkish, Moroccan and Polish authorities as they were found to be infected by *Tilletia Indica* (Karnal Bunt) fungus.

(c) Inspection of wheat for issuing Phytosanitary Certificate at the time of export for quarantine purposes is being carried out by the Directorate of Plant Protection and Quarantine, Ministry of Agriculture or the Directors of State Agriculture authorised for this purpose by the Directorate of Plant Protection Quarantine and Storage.

Agricultural Export

1218. SHRI S.D.N.R. WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government are aware of the tremendous potential available in Karnataka to increase agricultural export;

(b) if so, the details thereof; and

(c) the steps taken by the Government to create proper infrastructural facilities in order to facilitate agricultural export from the State?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BULLA BULLI RAMAIAH) : (a) to (c). Rice, spices, floricultural products, fresh fruits and vegetables, cashew, sugar and tobacco are the main agricultural products produced in Karnataka which offer export potential. Most of these products have been identified as "Extreme Focus" products for achieving a quantum jump in exports.

Under a scheme for Development of Infrastructure in all States including Karnataka, financial assistance is being provided to eligible exporters for (i) purchase of

specialised transport units; (ii) establishments of pre-cooling facilities; (iii) setting up of mechanised post-harvest handling facilities and sheds for grading, sorting, quality control and packaging; (iv) establishing vapour heat treatment/fumigation/screening machines for exports; and (v) establishing cold stores at airports/seaports for export purposes.

Coal based Industries

1219. SHRI ANNASAHIB M.K. PATIL :

SHRI VIJAY PATEL :

Will the Minister of COAL be pleased to state :

(a) whether the Union Government have received requests from the various State Governments for setting up of coal industries in their respective States, during the years 1995-96 and 1996-97;

(b) if so, the number of such proposals received, State-wise; and

(c) the number of projects sanctioned so far, State-wise?

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

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

PF Money Invested in Public Sector

1220. SHRI D.P. YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have issued guidelines for investment of 30 percent amount belonging to Provident Fund in Public Sector bonds;

(b) if so, the details thereof; and

(c) the steps proposed to be taken by the Government to ensure that the above amount is not misused?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The non-Government Provident Funds prior to 1-10-96 were required to invest inter alia, 30% of their net accretion in bonds/securities of "Public Financial Institutions" as specified under Section 4(a) of Companies Act, "Public Sector Companies" as defined in Section 2(36A) of the Income Tax Act, 1961 or certificates of deposit issued by a Public Sector Bank. With effect from 1-10-96 the percentage has been increased to 40%. These are debt instruments and the Funds will receive the prescribed interest periodically.

(c) The Public Sector Companies are owned and controlled by Government and they raise funds for meeting expenditure on approved schemes.

Reforms in Banking Sector

1221. SHRI SONTOSH MOHAN DEV : Will the Minister of FINANCE be pleased to state :

(a) whether a proposal for reforms in banking sector by organisational restructuring of banks and financial entities is under the consideration of the Government;

(b) if so, the details thereof;

(c) the steps taken to revamp banks and financial institutions to attain success in the reforms; and

(d) the time by which the fresh norms for Financial and Banking Institutions (FBI) are likely to be specified in regard thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). There is no specific proposal at present for organisational restructuring of banks. However, 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.

(c) and (d). Measures taken to implement Financial Sector Reforms fall into three categories :-

(1) measures aimed at removing the external constraints bearing on the profitability of the banks; (2) measures aimed at improving the financial health of the banks by introducing appropriate prudential norms; and (3) measures aimed at institutional strengthening including improving the competitiveness of the system. Statutory Liquidity Ratio (SLR) requirements and Cash Reserve Ratio (CRR) requirements have been reduced gradually. Prudential norms regulating income recognition, asset classification and provisioning were introduced in 1992-93 aimed at ensuring the safety and soundness of the financial system, imparting greater transparency and accountability in operations and restoring the credibility and confidence in the Indian financial system. deregulation of interest rates on deposits above Rs. 2 lakhs and freedom given to banks to fix Prime Lending Rates are steps aimed at institutional strengthening and improving the competitiveness of the system.

Reserve Bank of India reviews the progress periodically and takes corrective steps wherever required. Since reform is an ongoing and continuous process no time-frame can be indicated.

In order to enable financial institutions (FIs) to play their role more effectively in the changing economic and industrial scenario, FIs such as Industrial Development Bank of India (IDBI) and Industrial Finance Corporation of India Ltd. (IFCI) have been provided greater functional autonomy and operational flexibility. They have also been enabled to access the capital market through issue of equity share capital and enlarge their shareholders' base.

World Bank Aid for Infrastructural Sector

1222. SHRI K.H. MUNIYAPPA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have sought for the World Bank assistance to meet the huge resource requirements in this infrastructural sector; and

(b) if so, the details thereof?

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

(b) There are a number of on-going programmes of assistance by the World Bank in various infrastructural sectors. A number of projects in the sectors have also been posed to the World Bank which are at various stages of consideration. These inter alia, include projects in Power, Highways, Ports, Railways and Water Supply Sectors apart from dedicated lines of credit for funding infrastructural projects.

[Translation]

Agreement Between India and China

1223. SHRI RAJENDRA AGNIHOTRI :

KUMARI UMA BHARTI :

SHRI PANKAJ CHOWDHARY :

Will the Minister of FINANCE be pleased to state :

(a) whether any agreement between India and China for investment protection has been signed;

(b) if so, the details thereof; and

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

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

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

[English]

Jute Bags

1224. SHRI S. RAMACHANDRA REDDY :

SHRI AJMEERA CHANDULAL :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government received any request from the cement Industry seeking exemption from compulsory use of jute bags for packing;

(b) if so, the details thereof and the reasons for seeking exemption; and

(c) the reaction of the Government thereto?

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

(b) and (c). The reasons advanced by Cement Industry, inter alia are that plastic bags are preferred by

Consumers, ensure that the seepage loss is minimal are non polluting & cheaper compared to jute bags; HDPE/PP bags are not susceptible to adulteration; are suitable for packing powdery material in transit; minimal dehydration. Their requests has been placed before the Standing Advisory Committee set up by the Govt. in terms of section 4(1) of the Jute Packaging Material (Compulsory use in Packing Commodities) Act, 1987. The following reservation exists for commodities for compulsory packing in jute bags :-

Cement	50%
Foodgrains	100%
Sugar	100%
Fertilizer (Urea)	50%

Disinvestment of PSUs

1225. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA : Will the Minister of INDUSTRY be pleased to state:

(a) whether only profit making Public Sector Undertakings are being considered for the disinvestment by the recently constituted Disinvestment Commission;

(b) if so, the name of such PSUs alongwith the reasons therefore;

(c) whether the Government plan to invest the revenue so obtained in sick PSUs to make them viable; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). The list of 40 PSUs referred to the Disinvestment Commission profit making as well as loss making units is enclosed as statement.

(c) and (d). A part of the revenue generated from disinvestment of PSU shares is to be earmarked to create an investment fund which will be used to strengthen other public sector enterprises.

STATEMENT

List of Enterprises Referred to Disinvestment Commission

S.No.	Name of PSE
1	2
1.	Air India
2.	Bharat Aluminium Co. Ltd.
3.	Bharat Earth Movers Ltd.
4.	Bharat Electronics Ltd.
5.	Bongaigaon Refinery & Petro-chemicals Ltd.
6.	Container Corpn. of India Ltd.

1 2

7. Engineers India Ltd.
8. Fertilizers & Chemicals (Travancore) Ltd.
9. Gas Authority of India Ltd.
10. Garden Reach Shipbuilders & Engineers Ltd.
11. Hindustan Aeronautics Ltd.
12. Hindustan Copper Ltd.
13. Hindustan Latex Ltd.
14. Hindustan Zinc Ltd.
15. Hotel Corporation of India Ltd.
16. HTL Ltd.
17. IBP Ltd.
18. Indian Petro-chemicals Corpn. Ltd.
19. ITI Ltd.
20. India Tourism Development Corpn. Ltd.
21. Kudremukh Iron Ore Co. Ltd.
22. Madras Fertilizers Ltd.
23. Mahanagar Telephone Nigam Ltd.
24. Manganese Ore (India) Ltd.
25. Modern Food Industries (India) Ltd.
26. National Aluminium Co. Ltd.
27. National Fertilizers Ltd.
28. National Hydro Electric Power Corpn. Ltd.
29. National Thermal Power Corpn. Ltd.
30. Neyveli Lignite Corpn. Ltd.
31. Northern Coalfields Ltd.
32. Oil & Natural Gas Corpn. Ltd.
33. Oil India Ltd.
34. Pawan Hans Ltd.
35. Power Grid Corpn. of India Ltd.
36. Rail India Technical & Economic Services Ltd.
37. Shipping Corporation of India Ltd.
38. South Eastern Coalfields Ltd.
39. Steel Authority of India Ltd.
40. Western Coalfields Ltd.

Pending Writ Petitions

1226. SHRI MULLAPALLY RAMACHANDRAN : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the number of Writ Petitions and other matters pending before the Supreme Court and each High Court as on October 31, 1996;

(b) the number of cases before each High Court that are pending for more than five years; and

(c) the steps taken to ensure early disposal of these cases?

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

Non-Payment of dividends to Investors by LIC

1227. DR. LAXMINARAYAN PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have received complaints about non-payment of dividends to the investors under the "LIC Mutual Fund Dhanasahayog Plan-B";

(b) if so, action taken thereon; and

(c) the steps taken to protect the interest of the investors in such other funds also?

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

[Translation]

Foreign Exchange Traders

1228. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to state :

(a) the number of foreign exchange traders in the country State-wise;

(b) whether all such traders have got licences from the Government; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) There are 96 banks and other institutions holding fullfledged licences and 7 holding restricted licences. State-wise details are furnished in Statement enclosed.

(b) The banks/certain financial institutions are issued licences to deal in foreign exchange business by Reserve Bank of India.

(c) Question does not arise.

STATEMENT

State-wise details of the Foreign Exchange Dealers

S.No.	Name of State	No. of Dealers
1	2	3
1.	Andhra Pradesh	1
2.	Delhi	6
3.	Gujarat	2

1	2	3
4.	Haryana	1
5.	Jammu & Kashmir	1
6.	Karnataka	6
7.	Kerala	6
8.	Madhya Pradesh	2
9.	Maharashtra	61
10.	Rajasthan	1
11.	Tamil Nadu	10
12.	Uttar Pradesh	1
13.	West Bengal	5

[English]

Transport facilities to Wheat and Rice Exporters

1229. SHRI HARIN PATHAK : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of wheat and rice from the country has received severe setback recently because these commodities could not be transported to the ports for their timely shipment;

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

(c) whether the Government have worked out the losses suffered by the country in this regard;

(d) if so, the details thereof; and

(e) the steps taken to ensure the timely export of wheat and rice from the country?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir. The exports of wheat and rice during the current year upto September, 1996 were as under:-

Commodity	Quantity (in MTs)	Value (in Rs. Crores)
Basmati Rice	249043	554.16
Non-Basmati Rice	1108766	1051.67
Wheat	1078653	668.99

(Source : DGCI&S, Calcutta)

(b) to (e). Some of the steps taken to ensure timely exports of wheat and rice, inter-alia, include :-

(i) Priority being accorded by the railways to the exporters for wagon allocation.

(ii) Berthing policy at Kandla Port has been formulated so as to ensure timely shipment of export consignments of wheat and rice.

[Translation]

World Bank assisted Projects

1230. SHRI N.J. RATHWA : Will the Minister of FINANCE be pleased to state :

(a) the location-wise details of the projects being run in Gujarat particularly in the tribal and backward rural areas with the assistance of World Bank;

(b) whether any proposal has been received from the Government of Gujarat for setting up of some more such projects with the assistance of World Bank;

(c) if so, the number of projects pending for approval with the Union Government; and

(d) the reasons for the delay in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Integrated Watershed Development (Plains) Project being implemented with World Bank assistance covers 3 States including Gujarat and aims at watershed development in the Sabarkantha, Rajkot, Vadodara and Bharuch districts of Gujarat in addition there are centrally sponsored projects under implementation with World Bank assistance such as Vocational Training, National Aids Control and National Leprosy Elimination Project which are being implemented in Gujarat along with other States and cover the State's tribal and backward areas as well.

(b) Government have so far received one project from Government of Gujarat-The Gokul Grama Yojana - for an amount of US \$ 250 million, which has been forwarded to the World Bank on 15-11-1996. A State road project for Gujarat is under preparation for World Bank assistance.

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

Bank Loans in Bihar

1231. SHRI R.L.P. VERMA : Will the Minister of FINANCE be pleased to state:

(a) the total amount of loans given by the Co-operative Banks/Commercial Banks and Regional Rural Banks during each of the last three years and in the current financial year till date in Bihar to the small and marginal farmers;

(b) whether any irregularity was noticed in sanctioning of loans;

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

(d) the total amount of loan recovered from them during the above period; and

(e) the steps being taken to ease the bank loan process for the farmers in the State?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Reserve Bank of India (RBI) has reported that the credit outstandings of State and District Central Co-operative banks, all Scheduled Commercial Banks and Regional Rural Banks for the last three years and the current financial year in Bihar was as follows :

(Rs. in Crores)

Period ended	All Scheduled Commercial Banks	State & District Cooperative	Regional Rural Banks
March 1994	4534.50	825.87	529.20
March 1995	5012.33	940.47	605.13
March 1996	5731.59	N.A.	637.23
June 1996	5678.05	N.A.	638.89

The total loans outstanding of all Scheduled Commercial Banks to the small and marginal farmers in Bihar during the year ended June 1991, 1992, 1993 and 1994 (latest available), as reported by RBI, is as under:

(Rs. in crores)

Year ended	Bihar
June 1991	304.18
June 1992	350.72
June 1993	353.83
June 1994	336.00

(b) and (c). National Bank for Agriculture and Rural Development (NABARD) has reported that the State Level Bankers' Committee (SLBC) had constituted a Committee to examine, inter-alia, the irregularities in sanction of loans under IRDP. Pursuant to the report of the committee, the SLBC has decided that controlling heads/Regional Managers/Zonal Managers should visit branches on a regular basis to rectify irregularities in sanction and disbursement of loans and the action taken by banks will be thoroughly discussed in SLBC meetings.

(d) The data reporting system of RBI does not generate the information in the manner asked for. However, NABARD has reported that the position of recovery of loans in percentage terms in Bihar State, at the end of the last three years is as under :-

	1993-94	1994-95	1995-96
Commercial Banks	38.0	40.0	33.0
Regional Rural Banks	15.5	24.0	23.3
Bihar State Land Development Bank	14.4	43.6	32.8
Bihar State Cooperative Bank	12.4	17.9	19.3

(e) The following steps have been inter-alia taken by banks to ensure enhanced flow of credit to agricultural sector :

- (i) Extension of a flexible line of credit in the form of cash credit facility to ensure timely and adequate credit for sustaining agricultural production.
- (ii) Drawing up special agricultural credit plans by public sector banks with a view to achieve a distinct and marked improvement in the flow of credit to agriculture during the financial year. Governor, RBI in a meeting held recently, has advised public sector banks to increase their disbursements under special agricultural credit plans by 25% over the last year's disbursements.

Supply of Coal to U.P.

1232. SHRI ASHOK PRADHAN : Will the Minister of COAL be pleased to state :

(a) the quantum of coal demanded by the various industries/sectors of Uttar Pradesh during each of the last three years and the quantum of coal supplied by the Union Government against their demand; and

(b) the steps being taken by the Union Government to supply coal to these industries, sectors of Uttar Pradesh as per their demand?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b). The requirement of coal are assessed industry/sector-wise for the whole country. They are not assessed State-wise. Coal companies are supplying coal based on the programmes submitted by the consumers in accordance with sponsorships issued by the respective sponsoring authorities and to the extent of their entitlement. Coal supply to power and cement industries are made based on short-term linkages established by the Standing Linkage Committee (SLC) to these sectors.

The overall despatches of coal to core and non-core sector consumers of Uttar Pradesh during the last three years is as under :

(Provisional)

Year	Quantity
1993-94	35.682 Million Tonnes
1994-95	35.834 Million Tonnes
1995-96	40.870 Million Tonnes

Coal companies are endeavouring to meet the requirements of coal of all consumers in the country including that in Uttar Pradesh by increasing production of coal. In addition, coal from a number of collieries is being offered under the Liberalised Sale Scheme. Under

this scheme coal is supplied without the requirements of linkages/sponsorships.

[English]

Units of KVIC in Maharashtra

1233. SHRI SANDIPAN THORAT : Will the Minister of INDUSTRY be pleased to state :

(a) the number of Units set up in Maharashtra under Khadi and Villages Industries Commission (KVIC) during the last three years and financial assistance provided to them;

(b) the details of progress made under the schemes in rural industrialisation and provision of employment to rural youth in the above state;

(c) the details of programme envisaged under KVIC during the current financial year and facilities/incentives proposed to be provided and targets set for Maharashtra for the current year; and

(d) the details of changes proposed in the ongoing schemes and the new schemes proposal to be introduced in Maharashtra?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Details of number of units set up and the financial assistance provided by KVIC in Maharashtra during the last three years are as under :

(Rs. in lakhs)

Year	No. of Units	Amount of Assistance	
		Grant	Loan
1993-94	43450	141.39	514.94
1994-95	46290	364.93	437.02
1995-96	46596	327.23	958.60

(Units include registered institutions, cooperative societies and individuals)

Apart from the funds disbursed by KVIC for implementation of normal, programme in Maharashtra, the following funds have also been availed of by the implementing agencies in Maharashtra under interest subsidy scheme.

Funds Availed Through Institutional Finance

(Rs. in Lakhs)

Year	Khadi	V.I.	Total
1993-94	209.07	2709.77	2918.84
1994-95	209.07	2709.77	2918.94
1995-96	183.19	3088.84	3272.03

Under District Special Employment Programme, amount of Rs. 4.72 lakhs has been released for implementation of KVI programme in Chandrapur district.

Likewise an amount of Rs. 62.55 lakhs have been released for implementation of 125 block programme in 9 block in 9 districts.

(b) Details of progress made during the last three years under normal programme of KVI in Maharashtra are as under :

KVI Normal Programme

Year	Production (Rs. crores)			Employment (Lakh Persons)		
	Khadi	V.I.	Total	Khadi	V.I.	Total
1993-94	15.03	522.24	537.27	0.19	4.62	4.81
1994-95	16.63	654.29	670.92	0.18	4.81	4.99
1995-96	20.35	696.33	716.68	0.20	4.54	4.74

Apart from the above, 273 persons have been offered employment under 125 block programme during the year 1995-96 in Maharashtra.

(c) The KVIC implements the normal programme of Khadi and Village Industries during the current financial year. Also emphasis is being given to implement special employment programme and 125 block programme by widening the coverage. Under national Programme on leather, the project viz. LTM-KVIC has already been in progress in Aurangabad. KVI programme such as arranging financial assistance through budgetary support as well as funds from nationalised banks under interest eligibility certificate and consortium bank credit shall continue for khadi and polyvastra. Likewise, the KVIC also provides other inputs such as technical guidance, training of the personnels, marketing support, procurement of raw material etc.

Targets for production and employment in the KVI sector fixed for Maharashtra during the year 1996-97 are given as under :

Target (1996-97)

Production (Rs. in Crores)			Total Employment (Lakh person)		
Khadi	V.I.	Total	Khadi	V.I.	Total
28.54	776.00	804.54	0.25	5.00	5.25

(d) The KVIC has not envisaged any change in the present programme implemented by KVIC in Maharashtra. The thrust is, however, being given to implement the new Scheme mentioned at (c) above viz. District Special Employment Programme, 125 block programme and national programme.

Common Man's Car Dream

1234. SHRI MADHAVRAO SCINDIA : Will the Minister of INDUSTRY be pleased to state :

(a) whether any scheme for realisation of the common man's car dream is still on the anvil;

(b) if so, the details thereof; and

(c) if not, the steps being taken for the realisation of the dream of common man's car?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). The manufacture of cars under the New Industrial Policy has been delicensed and Government's approval is no longer required for manufacture of any type of cars.

Bank Loan to SSIs

1235. SHRI G. VENKAT SWAMY :

SHRI UTTAM SINGH PAWAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India had issued guidelines to banks that upto 20% of their turnover credit could be given to Small Scale upto a limit of rupees one crore; and

(b) if so, the details of the Banks which have not followed these guidelines and the action taken against those banks during 1994-95 and 1995-96?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Reserve Bank of India (RBI) has reported that instructions have been issued by it to banks to grant atleast 20% of the projected annual turnover as working capital limits to existing or new small scale industrial (SSI) units where the request for credit limit is upto Rs. one crore.

(b) RBI has reported that banks are generally following the guidelines in regard to grant of credit for working capital.

RBI has further reported that a sample study conducted by it in February/March 1996 revealed that working capital was computed on annual turn-over basis in respect of about 56% of the loan applications covered by the study. Non-adherence by bank branches to the prescribed level was mainly due to (i) working capital needs of the SSI Borrowers being less than 20% of the projected annual turnover, (ii) surplus liquidity conditions in the market; (iii) non-disclosure of the market borrowings made by the applicants in the application;

(iv) non-receipt of RBI guidelines by branches in certain cases; and (v) loan applications being covered under sponsored schemes.

Certain deficiencies which were noticed during the study including non-providing of working capital as per prescribed norms were pointed out to the banks by RBI in September 1996 advising them to review the position and take corrective measures wherever necessary.

Import of Cars

1236. SHRI PRADIP BHATTACHARYA : Will the Minister of INDUSTRY be pleased to state :

(a) whether import and manufacturing of foreign brands cars in the country is against the interest of domestic car manufacturers;

(b) if so, the details thereof alongwith the number of cars imported and manufactured in the country during each of the last three years;

(c) whether the Government are aware that these newly developed companies have been violating rules and regulations; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir. The access to modern state-of-art technology on global basis is expected to enhance competitiveness and open new growth opportunities for Indian automobile industry.

(b) The new joint ventures in the car sector have been permitted to import 31,322 cars in CKD/SKD condition in the initial phase during 1995-96. The production of cars during the years 1993-94, 1994-95

and 1995-96 has been 2,09,695, 2,64,368 and 3,48,242 respectively.

(c) No, Sir.

(d) Does not arise.

Non-Performing Assets of Banks

1237. SHRI SAMIK LAHIRI :

SHRI O.P. JINDAL :

Will the Minister of FINANCE be pleased to state :

(a) the amount of Non-performing Assets of each of the public sectors banks as on March 31, 1996, which are due from (i) borrowers with aggregate limits of rupees one crore and above, (ii) borrowers with limits between rupees ten lacs and one crore, and (iii) others, and the provisions held against each of the category; and

(b) the amount of Non-Performing Assets classified as : (i) substandard assets, (ii) doubtful assets and (iii) loss assets of each of the public sectors bank as on March 31, 1996 and the provisions held by them against each of the category?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The bank-wise amounts of NPAs for Public Sector Banks duly classified as Sub-Standard, Doubtful and Loss as on 31st March, 1996 are given in the Statement enclosed. The information regarding borrowers with aggregate limits of Rs. 1 crore and above between Rs. 10 lakhs and Rs. 1 crore and others is not available with RBI. The banks consolidate the provisions made for NPAs along with other provisions under the Head 'Provisions and Contingencies' in the Balance Sheet as a consolidated item.

STATEMENT

Non-Performing Assets of Public Sector Banks for the year ended 31st March, 1996 (Provisional)

(Rs. in crores)

Name of Bank	Sub standard	Doubtful	Loss	NPA
1	2	3	4	5
SBI	2146.93	6769.94	636.66	10553.53
SBBJ	46.38	155.20	22.79	337.95
SB Hyderabad	254.83	262.57	126.83	644.23
SB Indore	68.82	146.45	3.57	218.84
SB Mysore	111.20	142.22	75.51	328.93
SB Patiala	143.11	199.94	56.66	399.71
SB Saurashtra	56.89	133.18	16.42	206.49
SB Travancore	150.22	259.00	21.00	430.22
Total	2978.38	8068.50	959.44	13119.90

1	2	3	4	5
Allahabad Bank	392.00	799.00	64.00	1255.00
Andhra Pradesh	78.70	198.02	55.48	332.20
Bank of Baroda	798.31	1739.98	301.79	2840.08
Bank of India	410.00	1968.00	56.00	2434.00
Bank of Maharashtra	102.55	527.78	63.93	694.26
Canara Bank	460.32	966.71	106.44	1533.47
Central Bank of India	289.00	1242.00	34.00	2036.00
Corporation Bank	43.63	164.30	48.90	251.83
Dena Bank	154.00	303.00	51.00	508.00
Indian Bank	1110.00	1872.90	158.00	3140.90
IOB	183.00	1364.00	276.00	1823.00
OBC	121.35	147.70	2.20	271.25
PNB	570.00	1281.00	25.00	2518.00
P and S Bank	126.87	468.80	129.62	725.29
Syndicate Bank	154.02	776.81	380.92	1311.75
Union Bank	398.86	470.71	31.08	900.68
United Bank of India	301.00	956.00	246.00	1503.00
UCO Bank	455.00	1047.00	338.00	1840.00
Vijaya Bank	172.18	344.70	28.50	545.38
Total of Nationalised Bank	6320.79	16638.41	2391.84	26464.04
SBI Group	2978.38	8068.50	959.44	13119.90
Grand Total	9299.17	24706.91	4351.28	39583.94

Indo-Israel Trade

1238. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government are aware that Israel is very keen to expand its trade relations with India;

(b) if so, whether his Ministry has examined the scope of expanding trade between both the countries; and

(c) if so, the details thereof?

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

(b) Yes, Sir.

(c) In the First Meeting of India-Israel Joint Trade and Economic Committee held in Jerusalem during January 28-29, 1996, the two sides have identified several items for expansion and diversification of bilateral trade. These include tea, tobacco, fish, oilcake, building materials, plastics and rubber products, drugs and pharmaceuticals, textiles ceramics, table and kitchenware, automobiles and auto components, consumer electronics and dyes and intermediates from

India and chemicals and fertilizers, agricultural inputs and technologies, irrigation equipment, telecommunications equipment and medical equipment from Israel.

Textiles Policy

1239. SHRI CHITTA BASU : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government propose to frame a new textile policy taking into consideration the pressing problems of jute mills, the liquidity crunch of the spinning and weaving mills, handlooms and powerlooms;

(b) if so, the details thereof;

(c) whether the Government propose to have discussions with the trade unions in this regard; and

(d) if so, the details thereof?

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

(a) No, Sir. The present textile policy covers the different segments of textile industry in comprehensive manner, and Government also constantly monitors the health of textile sector with a view to ensuring that the growth is not retarded in any manner and as and when there is

development in any segment of the textile industry requiring attention, appropriate measures are taken through policy interventions.

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

Tariff Advisory Committee of Insurance

1240. SHRI NAMDEO DIWATHE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of the long pending demand of general insurance companies regarding reconstitution of the two decade old tariff advisory committee with induction of more user members;

(b) if so, the main points raised by General Insurance Companies in their recent representation;

(c) whether the Government had made a commitment to the effect that tariff on insurance would be revived every five years;

(d) if so, the steps taken to revise the tariff rates and to improve the premium income; and

(e) the details of fresh initiative taken/proposed to make insurance services efficient and effective in tune with the spirit of globalisation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) No such demand is pending with the Government.

(b) Does not arise.

(c) and (d). No Sir, the Tariff Advisory Committee has been reviewing the tariff rates at periodic intervals to bring the tariff in tune with the loss experience and market trends

(e) In order to improve efficiency in customer service and curtail delays in the issue of policies and settlement of claims, the general insurance industry has already computerised over 1500 Branch/Divisional/Regional Offices apart from introducing computerisation at Head Office level. Training is imparted to officers at various levels and agents with a view to improving customer services. More and more Lok Adalats are held so as to expedite settlement of motor third party liability claims. The managements/Boards of the GIC and its four subsidiaries constantly review the measures required to be taken to meet the new challenges likely to arise in the process of globalisation of the insurance industry.

Review the Performance of EOUs/EPZs

1241. SHRI NARAYAN ATHAWALAY : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have recently undertaken a comprehensive review of the performance

of export oriented units and export processing zones schemes implemented in various States, during the last three years;

(b) if so, the details thereof alongwith achievements made under these schemes, scheme-wise, State-wise;

(c) whether the Government propose to modify/restructure the schemes for better results; and

(d) if so, the details of such changes conceived/finalised including setting up Apex Body to direct foreign investments in export oriented units and export processing zones to create confidence and credibility among foreign investors?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). The performance of Export Oriented Units and Export Processing Zones is reviewed annually taking into account performance of the last five years. The exercise for review of performance for these units for the cumulative period ending 31st March, 96 is in progress.

(c) and (d). The Policy and Procedural framework for Export Oriented Units is reviewed from time to time and changes made in order to obtain better performance of units operating under the scheme. There is no proposal to set up a separate Apex body to direct foreign investment in EOUs/EPZ units. However, the Government have already constituted a non-official Foreign Investment Promotion Council to facilitate FDI in India by undertaking promotional activities.

Stock Market

1242. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state :

(a) whether high interest rates are likely to dampen the R.B.I.'s measures to boost the stock markets; and

(b) if so, the facts thereof and remedial steps proposed to be taken in regard thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). According to the Reserve Bank of India (RBI), the measures announced by it in the Credit Policy for the 2nd half of 1996-97 have improved the liquidity in the banking system and have helped to lower the rates of interest. The banks and the financial institutions have already reduced the prime lending rates by about one percentage point. The rates of interest prevailing in the financial system affect the stock market in several ways such as influencing the decisions of the investors to invest their funds in debt instruments, equity shares, bank deposits etc. However, the movements in the stock market are determined by a variety of factors such as macro-economic situation, financial results of companies, expectations of investors etc.

[Translation]

NTC Showrooms

1243. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of TEXTILES be pleased to state :

(a) the State-wise/Union-Territory-wise locations of the showrooms and outlets of the National Textile Corporation in the country;

(b) whether the Government propose to open more such showrooms/outlets at district level in backward areas of the States; and ,

(c) if so, the details thereof. State-wise/Union Territory wise?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):
(a) A *statement* indicating the State-wise/Union Territory-wise locations of the showrooms and outlets of the National Textile Corporation is enclosed.

(b) No, Sir.

(c) Does not arise.

STATEMENT

State-wise/Union Territory-wise list of NTC Showrooms

S.No.	Name of the State/U.T.	No. of Showrooms
1	2	3
1.	Andhra Pradesh	27
2.	Karnataka	23
3.	Kerala	18
4.	Chandigarh	2
5.	Delhi	16
6.	Haryana	8
7.	Himachal Pradesh	2
8.	Jammu and Kashmir	4
9.	Punjab	6
10.	Rajasthan	10
11.	Gujarat	9
12.	Daman and Diu	1
13.	Madhya Pradesh	12
14.	Maharashtra	28
15.	Tamil Nadu	64
16.	Pondicherry	1
17.	Uttar Pradesh	48
18.	Assam	5
19.	Bihar	24
20.	Meghalaya	1
21.	Orissa	8
22.	West Bengal	66
		383

[English]

Japanese Collaboration

1244. SHRI K.P. SINGH DEO : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up some projects in Orissa with Japanese collaboration;

(b) if so, whether some Memorandum of Understandings have been signed between the Orissa Government and Japan;

(c) if so, the details thereof; and

(d) the details of the assistance likely to be obtained from Japanese companies to implement different proposed projects in the State?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Only 4 technical collaboration proposals have been approved by the Government with Japanese firms in the State of Orissa during the Post policy period i.e. from 1.8.91 to 30.9.96. The details of these proposals viz. Name of the Indian company, Name and country of the foreign collaborator, item of manufacture/activity and equity participation, if any, 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.

(b) to (d). Memorandum of Understanding/ collaboration agreements are signed between the Indian Party and the foreign collaborator and are filed with Reserve Bank of India. Data in this regard is not centrally maintained.

SSI and Cottage Industry

1245. SHRIMATI VASUNDHARA RAJE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have taken a policy decision to promote small scale and cottage industries.

(b) if so, whether these industries are proposed to be set up in the rural areas only;

(c) if so, whether any guidelines have been issued to the State Governments in this regard;

(d) whether any projection to promote small scale and cottage industries has also been made for 9th plan in this regard; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The Government's policies and programmes to promote small scale and cottage industries are guided by the policy measures for promoting and strengthening small, tiny and village enterprises announced in August, 1991.

(b) and (c). Government promotes setting up of small scale industries in both rural and urban areas. An Integrated Infrastructural Development Scheme is being implemented to improve infrastructural facilities in the rural and backward areas to facilitate setting up of small scale industries in these areas. Khadi and Village Industries Commission (KVIC) also implements several schemes for promotion and development of Khadi and Village Industries in the country.

(d) The Ninth Five Year Plan is not yet finalised.

(e) In view of (d) above, does not arise.

[Translation]

District Judges in U.P.

1246. DR. BALIRAM : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the details of those districts in Uttar Pradesh where District Judges have not been appointed so far;

(b) whether the Government propose to appoint District Judges immediately at those places where vacancies exist;

(c) if so, by when; and

(d) if not, the reasons therefor?

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

Setting up of Dry-Port at Agra

1247 SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) the progress made in setting up of a Dry-port at Agra;

(b) by when this Dry-port is likely to start functioning;

(c) the areas where this service has been provided through container depots and the details thereof;

(d) whether the Government propose to increase the services of container depot in Agra; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). The dry port (Inland Container Depot) at Agra has been commissioned on 19/11/1996.

(c) An Inter Ministerial Committee (IMC) is functioning in the Ministry of Commerce to provide single window clearance to the proposals for setting up dry ports (Inland Container Depots/Container Freight Stations (ICDs/CFSSs). A list of proposals approved by the IMC is given in the Statement enclosed. Some of

the projects given in the Annexure are functional while others are at various stages of implementation.

(d) and (e). The Government considers the proposals for setting up ICDs/CFSSs as and when received. No additional proposal for Agra is pending with the Government.

STATEMENT

List of Inland Container Depots/Container Freight Stations (ICDs/CFSSs) Approved by the Inter Ministerial Committee

1. Amritsar (Punjab)
2. Calcutta (West Bengal)... (Two CFSSs)
3. Nhava Sheva (Maharashtra)
4. Tuticorin (Tamil Nadu) ... (Three CFSSs)
5. Dronagiri Node (New Bombay) ... (Two CFSSs) (Maharashtra)
6. Madras (Tamil Nadu) ... (Seven CFSSs)
7. Kalamboli (Maharashtra)
8. Cochin (Kerala)... (Five CFSSs)
9. Indore (Madhya Pradesh)
10. Kandla (Gujarat)
11. Surat (Gujarat)
12. Faridabad (Haryana)... (Two CFSSs)
13. Jodhpur (Rajasthan)
14. Dasrath, Baroda (Gujarat)
15. Nasik (Gujarat)
16. Udaipur (Rajasthan)
17. Bhatinda (Punjab)
18. Tirupur (Tamil Nadu)
19. Kota (Rajasthan)
20. Porbunder (Gujarat)
21. Ballasore (Orissa)
22. Kanpur (Uttar Pradesh)
23. Malanpur (Madhya Pradesh)
24. Rewari (Haryana)
25. Aurangabad (Maharashtra)
26. Nagpur (Maharashtra) (Two CFSSs)
27. Varanasi (Uttar Pradesh)
28. Raipur (Madhya Pradesh)
29. Agra (Uttar Pradesh)
30. New Mangalore (Karnataka)
31. Panambur (Karnataka)
32. Salem (Tamil Nadu)

33. Coimbatore (Tamil Nadu)
34. Raxaul (Bihar)
35. Siliguri (West Bengal)
36. Haldia (West Bengal)
37. Jalgaon (Maharashtra)
38. Meerut (Uttar Pradesh)
39. Unnao (Uttar Pradesh)
40. Saharanpur (Uttar Pradesh)
41. Visakhapatnam (Andhra Pradesh)
42. Bhilwara (Rajasthan)
43. Allahabad (Uttar Pradesh)
44. Barwala (near Chandigarh)
45. Paradip Port (Orissa)
46. Waluj (Maharashtra)

Excise duty Evasion by Tyre Industry

1248. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the amount unearthed by the Directorate General of Anti Evasion in the first round of probe of central excise evasion by the organised sector of the tyre industry;

(b) the outcome of the investigations in the second round and the modus operandi followed in the central excise evasion; and

(c) the amount proposed to be realised from the small-scale and some major tyre manufacturers and the steps initiated in this behalf so far?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) A prima-facie evasion of Central Excise duty to the tune of Rs. 89.19 crores against the tyre manufacturers in the organised sector has been unearthed by the Directorate General of Anti Evasion in 1996.

(b) In the second round of anti-evasion operations, certain tyre manufacturers in medium sector have been covered. The investigations conducted so far in these cases have revealed alleged evasion of central excise duty in the order of Rs. 6 crores approximately. Investigation in these cases have been initiated on the basis of intelligence that certain tyre manufacturers have removed light commercial vehicle tyres in the guise of tractor trailer tyres. Light commercial vehicle tyres are leviable to higher rate of duty.

(c) The amount can be recovered after adjudication in accordance with the provisions of Central Excise Act and Rules made thereunder. However, Rs. 5.85 crores have already been paid voluntarily by the tyre manufacturers in organised sector in this regard. So far,

no action has been initiated against tyre manufacturers in small-scale sector.

Supply of Coal to Power Projects

1249. SHRI S.D.N.R. WADIYAR :

DR. M. JAGANNATH :

SHRI SANDIPAN THORAT :

Will the Minister of COAL be pleased to state :

(a) the total annual requirement of coal of different power plants;

(b) the order placed by each coal based power plant for the year 1996-97, monthwise;

(c) the quantum of coal supplied to each power plant during the year 1996-97 so far, monthwise; and

(d) the steps taken to ensure supply of coal to each power plant according to the requirement irrespective of the fact that it is in the public sector or private sector; and

(e) the steps taken to boost the production of coal particularly in Singareni collieries?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) For the year 1996-97, the Planning Commission has assessed the demand for coal for the power sector at 215 million tonnes. However, the power station-wise generation target shows requirements of only 199.64 million tonnes.

(b) and (c). The Central Electricity Authority (CEA) makes recommendations for allotment of coal for each coal based power plant on the basis of generation targets fixed for them. The recommendations made by the CEA are considered by the Standing Linkage Committee (Short-term) which allots coal for each thermal power station on quarterly basis within the overall constraints of availability of coal, transportation, unloading facilities of the power stations and timely payment for coal supplies. The details regarding month-wise quantum of coal supplied to each power plant during the period April-October, 1996 by the public sector coal companies are given in the Statement enclosed.

(d) Coal supplies to power sector is accorded the highest priority. Supply of coal to power sector is monitored regularly by an Inter-Ministerial Group irrespective of the fact that whether it is in public or private sector. Appropriate corrective action is taken to step up coal supplies wherever necessary.

(e) Despatches to power sector have been consistently increasing over the years. Both Coal India Ltd. (CIL) and Singareni Collieries Company Ltd. (SCCL) have been able to meet the growing demand of power sector in full. Various steps have been taken to increase production of coal in SCCL. These inter alia include opening of new mines, modernisation of existing mines and improving the industrial relations in the company.

STATEMENT

Month-wise coal supply from CIL and SSCI to Thermal Power stations during the period April-October, 96

(In' 000 tonnes)
(Data Provisional)

Name of TPS	April, 96	May, 96	June, 96	July, 96	Aug., 96	Sept., 96	Oct., 96
1	2	3	4	5	6	7	8
Badarpur	218	239	234	249	275	231	228
I.P. (DESU)	85	113	126	90	81	92	62
Rajghat	57	67	67	71	61	64	57
Faridabad	72	63	62	66	71	55	53
Panipat	159	213	209	194	267	246	142
Bhatinda	127	168	153	203	246	212	215
Ropar	356	341	346	436	503	446	384
Harduaganj	96	89	53	46	53	39	47
Obra	270	263	245	207	142	142	250
Singrauli	861	773	724	722	713	741	843
Rihand	405	391	372	285	235	406	488
NCTPP	262	278	321	345	322	311	382
Unchahar	138	122	162	140	141	164	204
Panki	49	54	53	40	43	34	42
Paricha	37	43	47	46	45	40	44
Anpara	520	538	571	685	583	668	630
Tanda	98	71	91	77	77	64	98
Kota	403	319	289	388	375	401	434
Ahmedabad	123	160	127	147	143	143	188
Wanakbori	414	386	429	327	360	404	483
Gandhinagar	180	187	188	163	124	103	185
Ukai	340	316	306	327	287	263	252
Sikka	93	103	103	107	80	97	100
Bhusawal	159	197	204	107	73	87	118
Chandrapur	750	773	697	634	487	640	862
Koradih	616	635	548	537	537	584	625
Nasik	379	330	377	321	342	212	216
Khaperkhera	33	25	34	116	154	170	187
Parli	203	239	260	246	212	312	261
Paras	-	16	17	26	10	10	10
Dhanu	107	160	130	137	180	202	221
Trombay	10	10	2	0	3	0	4
Korba East	163	190	172	171	130	131	175
Korba West	252	203	281	271	184	154	219
Amarkantak	46	52	82	46	34	29	21
Satpura	457	439	401	403	421	462	495
Birsingpur	154	145	119	111	74	74	94
Korba STPS	1141	1066	997	1007	988	946	994
Vindhyachal	495	383	408	433	428	454	577

1	2	3	4	5	6	7	8
Ramagundam	893	946	660	651	560	659	462
Kothgudam	577	436	362	384	282	226	265
Ramagundam B	26	27	30	27	23	26	24
Vijaywada	659	683	666	576	742	634	686
Muddanur	241	127	66	171	97	69	95
Tuticorin	255	258	197	282	237	262	280
Mettur	294	319	336	333	352	401	432
Ennore	224	245	220	299	255	242	264
Nellore	1	21	9	6	-	-	-
Raichur	387	348	303	358	341	280	308
Barauni	67	49	47	49	46	15	14
Patratu	94	105	112	101	92	91	61
Muzaffarpur	52	5	19	20	9	25	12
Patna	0	2	0	2	2	2	0
Tenughat	7	8	0	0	26	34	56
Chandrapura	201	127	108	157	134	65	147
Bokaro	150	132	106	168	118	111	140
DVC	105	67	72	42	56	91	129
CESC S. Gen.	139	116	120	141	129	131	139
Titagarh	88	102	90	106	83	84	86
Bandel	98	118	116	119	97	126	106
Santaldih	101	97	70	83	83	82	82
Kolaghat	412	403	409	443	414	438	458
DPL	59	62	47	75	54	44	49
Farakka STPS	582	463	428	428	451	391	480
Talcher	144	128	126	0	123	110	110
Talcher STPS	0	0	0	139	17	82	66
Ib valley	123	116	97	142	128	178	254
Kahalgaon	222	241	182	278	209	220	270
Bongaigaon	27	38	24	32	33	24	18

[Translation]

Lok Adalats

1250. SHRI JAI PRAKASH AGARWAL : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether any proposal to extend the Jurisdiction of the Lok Adalats is under the consideration of the Government;

(b) if so, the details thereof;

(c) whether the Union Government have issued directions to some State Governments to make arrangement to hold Lok Adalats at least twice a month;

(d) if so, the details of such States and the reasons for not issuing the directions to the rest of the States;

(e) whether these directions of the Union Government are being followed by the concerned States;

(f) if so, the details thereof; and

(g) 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) No, Sir.

(b) Does not arise.

(c) Yes Sir. Request has been issued to all the State Governments.

(d) Does not arise.

(e) Yes Sir.

(f) On the basis of the reply received so far the Lok Adalats have been organised in various Districts of the 16 States/Union Territories viz. Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Meghalaya, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and National Capital Territory of Delhi in which 68,262 cases have been decided.

(g) Does not arise.

[English]

Revival of Textile Mills

1251. SHRI SHANTILAL PARSOTAMDAS PATEL :
SHRI BHAKTA CHARAN DAS :
SHRI DINSHA PATEL :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have received proposals from various State Governments seeking funds for revival and restructuring of State Textile Mills in their respective States and settlement of workers dues of those textile mills;

(b) if so, the details thereof, Statewise;

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

(d) the funds provided to each State Government for the purpose during 1995-96 and 1996-97?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):
(a) to (d). According to Ministry of Industry, Department of Industrial Development have received proposals from various State Governments amounting to Rs. 407.86 crores including those for restructuring of States Textile Mills.

The details of proposals would be taken up by the Ministry of Industry after the operational modalities for grant of assistance from the National Renewal Fund (NRF) have been finalised.

Assistance from NRF is presently restricted to Voluntary Retirement Scheme (VRS) in Central Public Sector Undertakings and to schemes for counselling, retraining and redeployment assistance to rationalised workers.

Post Vacant in Public Sector Undertakings

1252. SHRI BANWARI LAL PUROHIT :
SHRI R. SAMBASIVA RAO :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are aware of the news item appeared in the "Financial Express" dated September 6, 1996 under caption "105 PSUs headless, unable to match MNCs' remuneration";

(b) if so, whether the Government are finding it difficult in selecting suitable persons for the PSUs;

(c) whether the remuneration presently paid to Heads of PSUs is also unmatched with the remuneration paid by multinational companies; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). As per available information, 28 posts of Chief Executives of Public Sector Undertakings were lying vacant as on 31.10.1996. Selection against 22 of these vacant posts has already been made by the Public Enterprises Selection Board;

(c) and (d). Pay scales, DA Formula etc. in respect of board level executives of the Central PSUs were last revised w.e.f. 1.1.1992 and a Pay Revision Committee has been constituted to recommend the pay structure of PSU executives, to come into effect from 1.1.1997. The Pay Revision Committee would take various relevant factors into consideration while recommending the emolument structure for PSU executives.

Minimum Alternate Tax

1253. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether there has been a great demand for withdrawing minimum alternative tax proposal;

(b) whether a number of industrialists have also requested the Government to reconsider the decision and withdraw the proposals; and

(c) the reaction of the Government and the main reasons for not withdrawing the same?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Some representations have been received for the withdrawal or modification of the provisions of Minimum Alternate Tax (MAT):

(c) Minimum Alternate Tax (MAT) was introduced to levy some tax on the Zero-tax or low tax paying companies (below 12.9 per cent of book profits) which were showing substantial book profits but paying no or very little tax.

Rehabilitation of Sick Industrial Units by S.B.I.

1254. SHRI HARIN PATHAK : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the State Bank of India group of Banks do not follow the directions and guidelines of Board for Industrial and Financial Reconstruction in connection with rehabilitation package to sick industrial units;

(b) if so, the number of such cases brought to the notice of Government during the last three years; and

(c) the details of such directions issued by BIFR since 1990 onwards the number of sick industrial units rehabilitated by BIFR with the participation of the said group of Banks and the number of times when the said group of Banks discharged financial obligations as per directions of BIFR and RBI during the same period?

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.

Export of Cotton

1255. SHRI SURESH PRABHU :
SHRIMATI VASUNDRA RAJE :
SHRI SYDAIAH KOTA :

Will the Minister of TEXTILES be pleased to state:

(a) the production of cotton during the year 1995-96 State-wise;

(b) whether the Government have announced cotton export quota for the year 1996-97;

(c) if so, the demands for export quota received from the various states and the quantum of cotton allowed to be exported by each state during the above period State-wise;

(d) whether inordinate delay in announcement of cotton export quota has caused serious concern for the cotton growers of the country;

(e) if so, the steps taken to avoid such delay in future; and

(f) the steps taken by the Government to stabilise the price of cotton in the country?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) The total production of cotton during the year 1995-96 as estimated by the Cotton Advisory Board (CAB) was 156.50 lakh bales. State-wise figures are given in the Statement-I enclosed.

(b) Yes Sir, in the cotton year 1996-97, a Quota of 5.15 lakh bales of cotton has so far been released for export.

(c) Details regarding allocation of quotas to different agencies are given in the Statement-II enclosed.

(d) No Sir, export quotas for 1996-97 cotton year were announced early in the season.

(e) Does not arise.

(f) Minimum Support Price (MSP) for cotton have been announced by Government. In the event that cotton price fall to MSP level the Cotton Corporation of India (CCI) would procure cotton at the VSP, thus protecting the growers' interest. An export quota of 5.15 lakh bales of cotton has been released by Government in the beginning of the season. At present the prices of staple cotton are reported to be 40% to 60% above the support Price.

STATEMENT-I

*State-wise Production of Cotton in
the Year 1995-96*

*(as estimated by the Cotton Advisory
Board on 26/8/96)*

State	Production (in Lakh Bales of 170 Kgs. each)
Punjab	14.35
Haryana	11.30
Rajasthan	13.75
Gujarat	31.25
Maharashtra	28.75
Madhya Pradesh	14.25
Andhra Pradesh	27.35
Karnataka	9.50
Tamil Nadu	5.00
Others	1.00
Total	156.50

STATEMENT-II

*Quantities of Raw Cotton Released for Export in
1996-97*

Quantity (lakh bales)	Quota Released in Favour of
1.50 Bengal Deshi	All
0.05 Assam Comilla	CCI
3.60 Staple Cotton	1 Cotton corporation of India Ltd.. (CCI)
	0.5 Maharashtra Federation
	0.5 Gujarat Federation
	0.5 NAFED
	0.05 Haryana Federation
	0.05 Rajasthan Federation
	0.10 Madhya Pradesh Federation
	0.10 Andhra Pradesh Federation
	0.50 Punjab 'Markfed' and Karnataka State Federation
	0.30 Private Trade
5.15 lakh bales	

(as on 27th November, 1996)

[Translation]

Misappropriation of Funds by Banks in Rajasthan

1256. PROF. RASA SINGH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the number of cases recorded in respect of irregularities, embezzlement or misappropriation of funds in nationalised/private sector banks in Rajasthan during the last three years;

(b) the number of cases probed alongwith the number of cases found correct and those which are still pending;

(c) the action taken against the persons found involved in these cases;

(d) the steps taken to put a check on the occurrences of such cases in future; and

(e) the steps taken by the Government to make the bank services more effective in Rajasthan?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (e). The present data reporting system in RBI does not generate information in the manner sought in the Question. However, the information relating to total number of frauds detected in public sector and private sector banks and the amount involved therein during the years 1993, 1994 and 1995 is as under :

(Rs. in crores)				
Year	Public Sector Banks No. of frauds	Amount involved	Private Sector Banks No. of frauds	Amount involved
1993	2213	320.32	223	8.61
1994	2266	200.08	215	4.54
	+U.Sh.984400			
1995	1890	115.51	182	14.51

The information readily available relating to action taken against the delinquent employees of public sector banks for their involvement in frauds for the years 1993, 1994 and 1995 is given below :

	1993	1994	1995
(i) No. of employees convicted.	57	50	33
(ii) No. of employees awarded major/minor penalties	874	1248	1160
(iii) No. of employees (out of (ii) above) dismissed/discharged/removed.	312	360	301

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

RBI had appointed in 1990 a "Committee on Customer Service in Banks" under the Chairmanship of Shri M.N. Goiporia. The Committee made a number of recommendations for improving customer service in banks. Most of these recommendations have been implemented by banks. RBI have formulated the "Banking Ombudsman Scheme, 1995" which seeks to provide for expeditious and inexpensive resolution of complaints against banks.

[English]

Interest Rates on Agricultural Credit

1257. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to deregulate the interest rates for agricultural credit to help the agricultural sector;

(b) whether low disbursement of credit to the farm sector during the past few years has been considered to be the main reason for the sharp deceleration in agricultural production; and

(c) the details of assessment about the gap between demand and supply of credit to agricultural sector during 1993-94, 1994-95, 1995-96 and the current year so far, and how it was reflected for decline in agricultural production during these years?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). As per extant directions of Reserve Bank of India (RBI), the rate of interest chargeable by commercial banks in respect of advances (except export credit and some other advances) are based on the size of advance/limit. The present rate of interest are as follows :

Size of credit limit	Rate of interest (%)
(i) Upto and inclusive of Rs. 25,000/-	12.0
(ii) Over Rs. 25,000/- and upto Rs. 2 lakhs	13.5
(iii) Over Rs. 2 lakhs	Free

Regional Rural Banks are free to determine their lending rates. Cooperative Banks are also free to determine their lending rates subject to a minimum of 12.0%.

The level of agricultural production depends, inter-alia, on the climatic conditions, preferred cropping pattern, expectation of prices, and use of inputs including credit. Variations in agricultural output cannot, therefore, be solely explained in terms of variations in the use of credit.

The resources of the banking system for lending to agriculture, appropriately augmented by refinance from National Bank for Agriculture and Rural Development (NABARD), are considered adequate to meet the effective demand of credit from the agricultural sector.

NABARD has reported that the ground level credit flow to agricultural sector has shown a steady growth. From the level of Rs. 11,202 crores in 1991-92, the ground level credit flow under agricultural sector has reached Rs. 16,949 crores at the end of 1993-94. The estimated ground level credit flow to agricultural sector during 1994-95 and 1995-96 is Rs. 21,424 crores and Rs. 24,849 crores respectively (Revised Estimates). The ground level credit for agricultural sector during 1996-97 is projected to be Rs. 28,817 crores.

In order to give a greater focus to agricultural lending by public sector banks (PSBs), they have been asked to draw up Special Agricultural Credit Plans (SACPs) by the RBI. The disbursements of public sector banks under SACPs were Rs. 8,255 crores and Rs. 10,172 crores respectively for the years 1994-95 and 1995-96.

While reviewing the performance of banks under 1995-96, the Government urged the Chief Executives of PSBs to show a growth of a minimum of 25% in their disbursements to agriculture under SACPs 1996-97 over those of 1995-96.

Setting up of Private Banks

1258. SHRI G. VENKAT SWAMY :

SHRI SHANTILAL PARSOTAMDAS PATEL :

Will the Minister of FINANCE be pleased to state :

(a) the criteria adopted for grant of the licence for the setting up of Private Banks and the details of such licences issued during each of the last three years and in the current year so far, State-wise;

(b) whether the Government have also issued licences to some private banks through these were figured in the list of defaulters; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Reserve Bank of India (RBI) issued guidelines on entry of private sector banks in January 1993. While permitting the entry of new private banks as per guidelines on merit, the following considerations are required to be kept in mind : (i) they subserve the underlying goals of financial sector reforms which are to provide competitive, efficient and low cost financial intermediation services for the society at large; (ii) they are financially viable; (iii) they should result in upgradation of technology in the banking sector; (iv) they avoid the shortcomings such as unfair pre-emption and concentration of credit monopolisation of economic power, cross holdings with industrial groups, etc. which beset the private sector banks prior to nationalisation; (v) freedom of entry in the banking sector may have to be managed carefully and judiciously.

After the issuance of guidelines in 1993, ten private banks have been issued licences. State-wise and year-wise details are as under :

Name of the Bank		Name of the State	Date of issue
1993-94			
1.	UTI Bank Ltd.	Gujarat	28.2.1994
1994-95			
2.	Indusind Bank Ltd.	Maharashtra	2.4.1994
3.	ICICI Bank Ltd.	Maharashtra	17.5.1994
4.	Global Trust Bank	Andhra Pradesh	6.9.1994
5.	HDFC Bank Ltd.	Maharashtra	5.1.1995
6.	Centurion Bank Ltd.	Goa	13.1.1995
1995-96			
7.	Bank of Punjab Ltd.	Chandigarh	7.4.1995
8.	Times Bank Ltd.	Haryana	8.6.1995
9.	Development Credit Bank Ltd.	Maharashtra	1.6.1996
10.	IDBI Bank Ltd.	Madhya Pradesh	13.11.1995

(b) Government do not issue licences for setting up of private banks. RBI issues licences for setting up of private banks. RBI has informed that they have not issued licences to any new bank which has been promoted by a company whose name figures in the list of defaulters of banks and financial institutions.

(c) Does not arise.

Raja Chelliah Committee

1259. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) the salient features of the recommendations of Raja Chelliah Committee; and

(b) the details of those recommendations which have been implemented so far?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The broad thrust of the Dr. Raja Chelliah Committee's recommendations is on structural reforms in tax laws which are to be implemented in a phased manner.

(b) A number of recommendations have been implemented during the last five years. These include, in respect of Customs duty, reduction in the peak rate of Customs duty, reduction in the number of duty rates and elimination of large number of end use based exemptions, and, in respect of Income Tax, streamlining of deductions under the direct tax laws, introduction of simplified single-sheet return for non-business taxpayers having income upto Rs. 1,20,000/- and simplification of rules and procedures relating to tax deduction at source.

Incentives for Infrastructural Facilities to Export Zones through States

1260. SHRI NAMDEO DIWATHE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to provide package of incentives to the State Governments for establishment of export zones and other infrastructure facilities in their respective States;

(b) if so, the details thereof;

(c) whether the Government have received any proposals from the Government of Maharashtra for seeking package of incentives for promotion of their products in international market;

(d) if so, the details thereof; and

(e) the steps taken by the Government in regard to involvement of State Government for promotion of exports?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). A centrally sponsored Export Promotion Industrial

Park (EPIP) Scheme was launched in August 1994 with a view to involving the state Governments in creation of infrastructural facilities for export oriented production. The Scheme envisages creation of one EPIP in every state. The Central Government's grant for EPIP would be 75% of capital expenditure limited to Rs. 10 crores in each case. Land has to be organised by the State Government at their expense. The Central Government has so far approved 18 proposals received from the States of Punjab, Maharashtra, Himachal Pradesh, Rajasthan, Karnataka, Kerala, Haryana, Uttar Pradesh, Tamil Nadu, Andhra Pradesh, Gujarat, Bihar, West Bengal, Orissa, Assam, Meghalaya, Madhya Pradesh and Jammu and Kashmir, which are under various stages of implementation.

Seven Export Processing Zones (EPZ) have been set up by the Centre. These are situated in Gujarat, Kerala, Maharashtra, Tamil Nadu, U.P., West Bengal and Andhra Pradesh. The Central Government has recently permitted establishment of Export Processing Zones by the State Governments as well as in the Joint/private sector.

During 1996-97 the Government launched the 'Crucial Balancing Investment Scheme' (C.B.I. 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.

(c) and (d). The following three proposals from the Government of Maharashtra have been received for road improvement which are under active consideration of the Ministry under the C.B.I. Scheme :

(i) Widening of Mumbai-Nasik section of National Highway No. 3.

(ii) Rehabilitation of Uran Panvel Road State Highway No. 54.

(iii) Improvement of Nasik to Igatpuri section of National Highway No. 3.

(e) The Centre is seeking participation of States in export promotion by provision of infrastructure, input support, relief from imposts, removal of constraints etc. States are also consulted on matters of specific concern to them. Active involvement of the States is an essential part of export measures. At the suggestion of the Ministry of Commerce, most of the State Governments have set up apex-level organisations under the Chairmanship of the Chief Minister or the Chief Secretary to consider and sort out problems faced by the exporters/importers in the respective States. In each State one State Corporation has been recognised as an Export House in relaxation of the minimum export earnings condition.

Collection of Premium by LIC from Maharashtra

1261. SHRI ANNASAHIB M.K. PATIL : Will the Minister of FINANCE be pleased to state :

(a) the total amount collected as premium by Life Insurance Corporation from the Policy holders in Maharashtra during the last three years and the number of insured persons in the State alongwith the comparative figures of the same in other States; and

(b) the estimated investment made by LIC for various developmental projects in Maharashtra during the above period?

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

Export Policy of Public Sector Undertakings

1262. SHRI SANDIPAN THORAT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have formulated any special export strategy for Public Sector Undertakings especially in heavy industry in the wake of liberalisation and globalisation of exports;

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

(c) the steps taken to tap huge export potential of PSUs through adoption of package of incentives and upgradation technologies in identified areas to enable them to have access in international market with distinct advantage of globally cost effective quality products?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). The existing export policy has been formulated for export trade in general. No omnibus export policy for Public Sector Undertakings (PSUs) especially in the heavy industry has been prescribed. However, in the wake of liberalisation/globalisation of exports, the public sector undertakings in their field of operations including heavy industry have re-oriented their export strategies in a manner consistent with the liberalised economy and competitive environment in the international market. The re-structuring process as a part of diversification activities has already been initiated by PSUs which includes formation of joint ventures with foreign/Indian partners to get continuous access to technology as well as market strengths of the partners. The renewed efforts have already been initiated for better quality and cost effectiveness.

No Central Registry is maintained of contractual arrangements in respect of export transactions entered into by different PSUs of the Government of India.

Funds for Minimum Needs

1263. SHRI CHITTA BASU : Will the Minister of FINANCE be pleased to state :

(a) whether the Prime Minister had assured at the Chief Ministers Concerence held in July this year to release adequate funds or minimum needs for infrastructures particularly in health care, education, drinking water, roads, rural electrification and housing;

(b) if so, the amount assured and the amount disbursed to the State Governments, Statewise;

(c) the status report of the Projects' undertaken in these areas;

(d) whether some State Governments have informed about non-availability of assured amount; and

(e) if so, the response of the Government thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (e). A Conference of Chief Ministers held on 4-5 July, 1996 identified seven Basic Minimum Services under the Minimum Needs Programme for priority attention and complete coverage in a time bound manner. These seven basic services are (i) 100 per cent coverage of provision of safe drinking water in rural and urban areas; (ii) 100 per cent coverage of primary health service facilities in rural and urban areas; (iii) universalisation of primary education; (iv) provision of public housing assistance to all shelterless poor families; (v) extension of mid-day meal programme in primary schools to all rural blocks and urban slums and disadvantaged sections; (vi) provision of connectivity to all unconnected villages and habitations; and (vii) streamlining the public distribution system with focus upon the poor.

For the financial year 1996-97, the Central Government has provided an additional amount of Rs. 2466 crores over the interim budget provisions as Central Assistance for States in the Central budget, to increase the availability of funds for these services. Out of this amount, Rs. 250 crores has been earmarked for slum dwellers. The remaining Rs. 2216 crores has been allocated to States and will be in addition to the provisions already made in the annual plans of States for these seven identified Basic Minimum Services.

Some of the State Governments have represented for early release of the additional Central assistance for Basic Minimum Services and slum development schemes. Based on the allocations made by the Planning Commission 25 per cent of the total amount as the first instalment for the Basic Minimum Services including slum development Schemes has been released to the States on November 11, 1996. The second and third instalments at the rate of 25 percent each of the total amount will be released to the States during the months of December, 1996 and January, 1997. The balance will be released in March, 1997 on receipt of progress report from the Department of

Programme Implementation, Ministry of Planning and Programme Implementation. A *Statement* showing allocation of Central assistance for Basic Minimum Services for 1996-97 (excluding Rs. 250 crores for slums schemes) and the amount released to State Governments till 27.11.1996 is enclosed.

STATEMENT

Allocation of Central Assistance for Basic Minimum Services-(Excluding Rs. 250 crore for slum scheme) for 1996-97 and amount Released to the State Governments there against till 27.11.1996.

(Rs. crores)

States	Allocated	Released
I. Special Category States :		
1. Arunachal Pradesh	62.18	15.55
2. Assam	154.14	38.53
3. Himachal Pradesh	64.41	16.10
4. J and K	156.52	39.13
5. Manipur	44.30	11.08
6. Meghalaya	37.03	9.26
7. Mizoram	36.87	9.22
8. Nagaland	37.53	9.38
9. Sikkim	25.65	6.41
10. Tripura	46.37	11.59
Total-I	665.00	166.25
II. Non-SPL Category States :		
1. Andhra Pradesh	140.52	35.13
2. Bihar	225.67	56.42
3. Goa	1.55	0.39
4. Gujarat	52.58	13.15
5. Haryana	19.08	4.77
6. Karnataka	59.40	14.85
7. Kerala	69.64	17.41
8. Madhya Pradesh	144.09	36.02
9. Maharashtra	96.78	24.20
10. Orissa	79.26	19.82
11. Punjab	25.59	6.40
12. Rajasthan	87.63	21.91
13. Tamil Nadu	82.36	20.59
14. Uttar Pradesh	317.33	79.33
15. West Bengal	150.00	37.50
Total-II	1551.48	387.89
Grand Total (I+II)	2216.48	554.14

Top Posts of PSUs

1264. SHRI TARIQ ANWAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether the vacant top posts of Public Sector Undertakings are not being processed for the last two years;

(b) if so, the reasons thereof; and

(c) the steps taken to remedy the situation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) No, Sir. Filling up of vacant top posts of Public Sector undertakings is a continuous process.

[Translation]

Training Centres in Bihar

1265. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of INDUSTRY be pleased to state :

(a) the total number of training centres under self-employment scheme run by the Government in Bihar and the assistance provided to the technically trained persons of these centres; and

(b) whether the Government propose to set up more such training centres in Bihar in view of the regional requirements?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The Government is implementing various schemes to create self employment all over the country including in the State of Bihar. Most of the Schemes are operated through the agencies of State Government/NGOs/other institutions, who are given funds/grant-in-aid by Central Government Departments.

As per reports received from concerned Government Departments, there are 120 training Centres in Bihar and nearly 29,000 persons are being trained every year the self employment Scheme.

Assistance is provided to all such technically trained persons of these Centres for setting up self-employment enterprises.

(b) Yes, Sir.

Scheme to Promote Production and Export From U.P.

1266. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have received any proposal/scheme from the Government of Uttar Pradesh for promoting production in the State and export of their products;

(b) if so, the details thereof; and

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

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

(b) and (c). A proposal submitted by the Government of U.P. for system improvement scheme at Moradabad has already been approved under the 'Crucial Balancing Investment Scheme' in which Central Government's contribution is of Rs. 8 crores. The total project is estimated to be Rs. 12.41 crores. The project is to be executed by the U.P. State Electricity Board for which the State Govt. has already formed a Committee to oversee the implementation. On the basis of the proposal received from the Government of U.P., the Ministry of Commerce has also approved the establishment of Export Promotion Industrial Park (EPIP) at Surajpur-Kasna, District Ghaziabad. The Park is under development.

[English]

Indo-Russian Talk on Direct Taxes

1267. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the outcome of the fourth round of Indo-Russian talks on direct tax issues held in Moscow in October last; and

(b) the efforts made by India in to ensure that a treaty is emerged out of these talks?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The fourth round of Indo-Russian talks was held in Moscow from 15th to 18th October, 1996 for finalisation of a Double Taxation Avoidance Agreement between India and the Russian Federation. The talks were held in a very friendly and cordial atmosphere and certain issues which required further consideration were discussed and settled amicably during this final round of negotiations. The Agreement has thus been initialed at the official level as a result of the said discussions and further steps are being taken for its formal signing soon.

Rubber Plantation in Non-Traditional Areas

1268. SHRI S.D.N.R. WADIYAR :
SHRI N. DENNIS :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have formulated any scheme to encourage plantation particularly rubber plantation in the non-traditional areas;

(b) if so, the details thereof alongwith the total area of land proposed to be covered under this scheme; and

(c) the total fund allocated for this purpose during each of the last three years?

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

(b) and (c). A Statement is enclosed.

STATEMENT

Details of schemes to encourage plantations including rubber plantations in the non-traditional areas

Rubber :

During 1995-96 an area of 2092.13 hectare was planted in the non-traditional areas and during 1996-97, the target is 3570 hectare. Rubber Board is implementing the following schemes for the development of rubber plantations in the non-traditional areas.

(1) Rubber Plantation Development Scheme provides a financial assistance of Rs. 8,000 per ha and reimbursement of Planting material at Rs. 3,000 per ha. For SC/ST categories, the reimbursement is at Rs. 4,000 per ha.

(2) Boundary protection scheme provides assistance at Rs. 1,500 per ha. For SC/ST categories, it is Rs. 4,000 per ha.

(3) Supply of fertilizers at 50% subsidised cost during the first four years of planting to SC/ST growers.

(4) Assistance for irrigation at Rs. 5,000 per ha.

(5) Assistance for setting up community processing centre.

(6) Other schemes, such as distribution of planting materials, block plantation for tribals and SC training, setting up demonstration plots, setting up District Development Centres for imparting training to growers and other personnel involved in plantation management. In Tripura, a Tribal Development Plan is implemented with the assistance of the Govt. of Tripura and World Bank.

The amount spent on the development of rubber plantation in the non-traditional regions during the last three years are as under :

1993-94	Rs. 570.26 lakh
1994-95	Rs. 592.84 lakh
1995-96	Rs. 620.97 lakh

Coffee :

Several specific Plan and Non-Plan Projects are being operated in the Non-traditional areas during the VIII Plan period with an objective to provide Extension,

Research, Development Credit, Finance and other support. These specific projects include, Extension offices in Andhra Pradesh, Orissa and Assam, a Regional office at Vizag, two coffee demonstration farms established at Koraput (Orissa) and Haflong (Assam), a Regional Coffee Research Station in Andhra Pradesh to cater to the research needs of the Zone, five coffee demonstration farms in the North Eastern region (Arunachal Pradesh, Nagaland, Tripura, Mizoram and Manipur) and a Regional Research Station at Diphu in Assam to cater to the research needs of the North Eastern Zone and training of personnel in the North Eastern Region.

The area under coffee in Non-traditional areas is around 22,016 ha. During VIII Plan, the target is to expand coffee plantation in 5,000 ha in non-traditional areas.

The amount spent on the development of coffee plantation in the Non-traditional areas during the last three years are as under :

1993-94	Rs. 108.70 lakh
1994-95	Rs. 109.56 lakh
1995-96	Rs. 137.84 lakh

Tea :

New Tea Unit Financing Scheme is being operated to encourage tea plantations in the non-traditional areas. Under this scheme, loan at the rate of Rs. 63,200 per ha and subsidy at the rate of Rs. 37,900 per ha is provided for setting up of new tea plantations in the non-traditional areas. The total area planted under tea in non-traditional region is 2664.52 ha. In addition to this, 11 fresh proposals have been received from various State Governments in the non traditional areas for planting tea in 3557.59 ha.

The amount spent on the development of tea plantations in the non-traditional areas during the last three years are as under :

1993-94	Rs. 354.8 lakh
1994-95	Rs. 227.01 lakh
1995-96	Rs. 325.5 lakh

Participation of Financial Institutions in Public Sector

1269. SHRI JAI PRAKASH AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) the details of the norms being followed by the Government to ensure the participation of various Government financial institutions in the public issues;

(b) whether pressure is being exerted on Government financial institutions particularly Industrial

Credit and Investment Corporation of India to participate in some public issues of the Companies;

(c) if so, the details of these companies;

(d) whether the Government have received complaints during the last three years regarding pressurising of Government Financial Institutions to participate in various public issues;

(e) if so, the details thereof; and

(f) the action taken by the Government thereon?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Government have not prescribed any norms for participation of financial institutions (FIs) in public issues. The Industrial Development Bank of India (IDBI) has reported that decision to participate in public issues of companies is based on the financial, economic, commercial viability and technical feasibility of the projects being implemented by them.

(b) No, Sir. The Industrial Credit and Investment Corporation of India Ltd. (ICICI) which is a public financial institution has reported that the underwriting and direct subscription assistance are sanctioned by ICICI based on its perception of the viability of the project and the risks involved, which are again based on its appraisal of the project.

(c) Does not arise.

(d) No, Sir.

(e) and (f). Do not arise.

Problems of Exporters

1270. SHRI BANWARI LAL PUROHIT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government are aware that the exporters are facing a number of problems under the existing pass book scheme;

(b) if so, the details thereof; and

(c) the steps taken by the Government to redress the problem of exporters and to achieve the target of exports?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Yes, Sir. The main problems relate to valuation for credit under the passbook scheme, delay in grant of credit, limited operation of passbook scheme from specified ports, and imposition of special duty of customs on imports made under passbook scheme, all of which are under the active consideration of Deptt. of Revenue.

(c) Ministry of Commerce is in constant touch with the apex Chambers of Commerce to seek their views on the problems faced by the passbook holder. Wherever necessary, the matter has been taken up with the Customs and Central Excise authorities and necessary amendments/modifications have been made by notification/public notices/circulars.

Foreign Investments in E.O.U.s.

1271. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have set up an agency to clear all proposals of foreign investment in Export Processing units through single window clearance;

(b) if so, the details thereof; and

(c) if not the other steps taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). The single window mechanism for according approval to proposals under EOU/EPZ Scheme is as follows :

Proposals of foreign investment in Export Oriented Units fulfilling the conditions of automatic approval are cleared by the Development Commissioner of respective zone for setting up the units within the zone and by the Secretariat for Industrial Approval (SIA) in the Department of Industrial Policy and Promotion for setting up of units outside the zone; normally in a period of 15 days.

Other proposals are cleared by the respective Export Processing Zone Board for units inside the Zone and by the Foreign Investment Promotion Board for units outside the zone; normally in a period of 45 days.

Infrastructural Constraints

1272. SHRI HARIN PATHAK : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to remove existing infrastructural constraints on priority basis in order to sustain current industrial boom;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). Yes, Sir. The Government has already considered deregulation of production and distribution in some of the basic infrastructure services. The Union Budget 1996-97 has also proposed establishment of an Infrastructure Development Finance Company with an authorised capital of Rs. 5000 crores to act as a direct lender, as a refinancing institution and as a provider of financial guarantees. Tax concessions have also been extended to infrastructure sectors.

Non-Official Directors in Banks

1273. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :

(a) the number of non-official directors working in banks at present;

(b) the details of powers and responsibilities of these directors;

(c) whether the Government review the performance of such directors from time to time; and

(d) if so, the details thereof and the mechanism developed so far for such review?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) At present there are 131 part time non official directors on the boards of 19 nationalised banks.

(b) The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980 and the Schemes framed thereunder do not specify the powers and responsibilities of such directors. However, the general superintendence, direction and management of the affairs of a nationalised bank vest in a board of directors of the bank, including non official directors.

(c) and (d). Since the Board of Directors of each bank discharges its duties in a collective manner no formal review of the performance of individual non-official directors has been attempted so far.

Promotion of Agro-Based Activities

1274. SHRI ANNASAHIB M.K. PATIL : Will the Minister of FINANCE be pleased to state :

(a) the main role of the National Bank for Agricultural and Rural Development (NABARD) in terms of major schemes for promotion and development of agriculture and agro-based activities.

(b) the details of targets set and achievements made during each of the last three years and reasons for shortfall, if any, in general and for Maharashtra in particular, State-wise and scheme-wise; and

(c) the details of tentative financial allocation for the current year for Maharashtra to carry out agricultural/ agro-based development activities and the targets set therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) National Bank for Agriculture and Rural Development (NABARD) is an apex level refinancing agency providing refinance support to commercial banks, State Cooperative Banks, State Land Development Banks and Regional Rural Banks for inter-alia financing and promoting various economic activities in the rural farm and non-farm sector. For the purpose it has framed several schemes for agriculture and rural development. The schemes for which refinance is available from NABARD include minor irrigation including lift irrigation, land development, plantation and horticulture which include hi-tech floriculture, animal husbandry, storage and market yards, forestry, agro-processing industries, seed processing including tissue-culture, pisciculture, farm mechanisation, bio-gas, non-

farm activities, Scheduled Caste/ Tribe Action Plan and Integrated Rural Development Programme (IRDP).

(b) The details of targets set and achievements made during the last three years, State-wise and scheme-wise, are being collected and will be laid on the Table of the House

(c) The details of the refinance allocation (tentative) made for the State of Maharashtra, by NABARD, for the year 1996-97 are as under :

(Rs. crores)	
Sector	Allocation
Minor Irrigation	72.00
Land Development	0.48
Farm Mechanisation	99.58
Dryland Farming	0.45
Plantation and Horticulture	26.54
Dairy Development	17.40
Fisheries	2.70
Storage and Market Yards	6.72
Forestry	0.35
Bio-gas	0.90
Poultry	12.90
Sheep/Goat/Piggery	3.00
SC/ST Action Plan	12.90
IRDP	29.50
Non-Farm Sector	37.09
National Seed Project	17.00
Agro Processing	6.16
Others	0.96
Total	346.63

Complaints Against Public/Private Companies

1275. SHRI SANDIPAN THORAT : Will the Minister of COMMERCE be pleased to state :

(a) whether Indian Missions abroad have received complaints against Indian Public and Private Sectors Companies for violation of trade agreements during the last three years;

(b) if so, the details thereof, company-wise and year-wise; 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) to (c). The Information is being collected and will be laid on the Table of the House.

Disposal of Soiled Currency Notes

1276. SHRI NAMDEO DIWATHE : Will the Minister of FINANCE be pleased to state :

(a) whether the RBI is facing a serious problem for disposal of soiled small currency notes;

(b) if so, the quantum of stocks accumulated at different RBI offices for disposal in excess of the normal capacity and the steps proposed to be taken* to tackle the problem on short term and on long term basis; and

(c) the present status of the projects approved for security printing and the progress made on each of them so far?

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

(b) Does not arise.

(c) The RBI is setting up two new note printing presses one each at Mysore (Karnataka) and Salboni (West Bengal). The Mysore Press has started printing of Rs. 100 deno. with one line of production from 1-6-96. The Press at Salboni is scheduled to start printing of Rs. 10 deno. from 12-12-96. When these two Presses become fully operational in 1998-99, they will produce about 10,000 million pieces of currency notes per annum.

Investment of Bank Loans in Share Market

1277. SHRI CHITTA BASU : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that Bank loans are being diversified in the share market illegally;

(b) if so, whether the Government have since conducted any enquiry in that regard;

(c) if so, the outcome thereof; and

(d) the steps taken to stop this economic offence?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). Reserve Bank of India (RBI) have reported that under the existing Credit Monitoring Arrangement (CMA), banks are required to report credit facilities sanctioned by them to large borrowers (i.e. Working Capital limit of Rs. 10 crore and above and Term Loan of Rs. 5 crore and above) for post sanction scrutiny. Under the CMA system, there is no mechanism of detecting diversion of funds for other purposes including share market operations. RBI has further reported that instances of diversion of funds are generally detected through financial inspections of banks/special scrutinies carried out by their Department of Supervision. RBI have already reiterated the existing instructions to banks advising them to monitor the operations/drawals in the borrowal accounts to ensure that funds are drawn for the purpose for which credit

has been sanctioned. The banks are also required to ensure that investments made by a borrower in shares, debentures of a current nature, in units of Unit Trust of India and other mutual funds and in intercorporate deposits are not financed by them. Penal measures by way of levy of additional interest/reduction in credit limits have also been suggested in cases where funds are found to have been diverted.

Anti-Dumping Action Against Indian Textiles by European Union

1278. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether India is one of the biggest textile exporter to the European market;

(b) whether Indian companies have dumped the textiles and cotton unbleached fabrics in the European market recently;

(c) if so, whether the European Union have taken any antidumping action against India for dumping of these items;

(d) if so, the details thereof with its impact on India's textile exports; and

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

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

(b) to (e). On the basis of a complaint from European domestic producers, the European Commission (EC) has imposed provisional anti-dumping duty ranging from 2.7% to 22.7% on imports of unbleached cotton fabrics from India for a period of six months. Imposition of anti-dumping duty is likely to adversely affect Indian exports of this item. The Government has been providing all possible assistance to the Indian exporters in the anti-dumping investigation.

Export of Engineering Goods

1279. SHRI S.D.N.R. WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) the details of engineering goods exported and the foreign exchange earned therefrom during each of the last three years, country-wise; and

(b) the steps taken by the Government to boost the export of engineering goods?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The details of engineering goods exported and foreign exchange earned during the last three years are given below :

		Value : Rs. in crores (US Dollar Million)		
Sector		1993-94	1994-95	1995-96
(i)	Capital goods	2340.01 (746.09)	3094.81 (985.55)	3615.63 (1080.94)
(ii)	Iron and Steel Products (incl. prime Iron and Steel)	3332.26 (1059.37)	3355.95 (1068.52)	4554.67 (1361.62)
(iii)	Aluminium and Products	620.11 (197.74)	792.79 (252.47)	831.03 (248.46)
(iv)	Consumer Durables	2222.80 (708.72)	2252.06 (717.22)	3093.67 (924.92)
(v)	Management & Tech. Services	585.00 (186.31)	525.00 (167.20)	500.00 (150.00)
Total		9090.18 (2898.23)	10020.61 (3190.96)	12595.00 (3765.94)

The top ten major importers of Indian engineering goods are USA, UAE, UK, Bangladesh, Germany, Sri Lanka, Japan, Singapore, Indonesia and Hong Kong. Country-wise details are available in the DGCI and S publication "Foreign Trade Statistics of India" in the Parliament Library.

(b) Promotion of exports of engineering goods and services has been the constant endeavour of the

Government. Measures taken to boost exports of engineering goods and services under the Export-Import Policy include Duty Exemption Scheme, Export Promotion Capital Goods Scheme, Special Import Licences, Duty Drawback Scheme and Engineering Products Export (Replenishment of Iron and Steel Intermediates) Scheme is in operation exclusively for the exporters of the Engineering goods. Market

Development Assistance is also provided to the exporters of engineering goods and services.

[Translation]

Pending Proposals

1280. SHRI JAI PRAKASH AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) whether some financial matters of Government of National Capital Territory of Delhi are lying pending with the Union Government for some time;

(b) if so, the details thereof; and

(c) the action taken or proposed to be taken by the Union Government on the memorandums/suggestions/proposals received from the Government of National Capital Territory of Delhi?

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

(b) The financial matters taken up by the Government of NCT of Delhi with the Ministry of Finance, Government of India :

- (i) pattern of financing of Annual Plans of Government of NCT of Delhi;
- (ii) delegation of powers for creation of Group A posts under Plan and Groups A,B,C and D posts under non-Plan and also for revival of posts lapsed;
- (iii) Share in Central Taxes;
- (iv) discontinuation of diversion of Central Plan assistance and restoration of the amount already diverted;
- (v) clearance of the past liability of Rs. 132 crore of DTC or release of grant to Delhi Government of the same amount to clear such liability;
- (vi) reimbursement of a sum of Rs. 188.70 crore on account of abolition of Terminal Tax by Government of India;
- (vii) transfer of DESU without any financial liability to Delhi Government.

(c) The matters are under consideration with the Government of India.

[English]

Excise duty on Small Paper

1281. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the PHD Chamber of Commerce and Industry has urged the Government to save small paper manufacturers by restoring the excise duty benefit available till recently;

(b) if so, whether the small paper manufacturers in the country are on the verge of collapse due to excise duty imposition; and

(c) if so, the reaction of the Government on such representation by the PHD Chamber and Industry?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The PHD Chamber of Commerce and industry had requested the Government to reduce excise duty on paper, paperboard, etc. made from at least 75% unconventional raw materials, from 10% to the pre-Budget level of 5% ad-valorem on the ground that the increased duty affected the competitiveness of small paper mills.

(b) and (c). The Government, in the consideration stage of the Budget acceded partially to the demands of small paper mills and prescribed 5% ad-valorem excise duty on such paper for first clearances of 10,000 MT in a financial year. In the current financial year, the limit is prescribed at 5,000 MT to be calculated from 11th September, 1996. In view of this there may not be any hardship to small paper mills.

Changes in Modvat Credit Scheme

1282. SHRI T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Central Excise Department brought a new scheme into force regarding changes in the Modvat credit;

(b) if so, the main changes incorporated in the new Modvat scheme;

(c) the extent in which the scheme has been successful;

(d) whether the Government have made changes in the procedure relating to use of inputs on which credit has been taken; and

(e) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (e). Following important changes have been made in Modvat Credit Scheme in this year's budget :

- (i) As per the provisions of the Modvat scheme, a manufacturer manufacturing a fully exempted final product is not eligible to avail the credit of duty paid on inputs used therein. Prior to 1.9.96, in cases where a manufacturer manufactured both dutiable and fully exempted final product from common inputs, had to reverse the credit of duty paid on the inputs contained in the exempted final product. This involved determination of the amount of credit to be reversed which was cumbersome. As a procedural simplification a new rule 57CC has been introduced in the Modvat Rules whereby a manufacturer using

common inputs in the manufacture of both dutiable and exempted final products can avail the credit of duty paid on such inputs subject to the condition that at the time of the clearance of the exempted final product, he has to reverse an amount equal to 8% of the price of the exempted final product towards the credit taken on the inputs contained therein. Further a manufacturer has the option to maintain separate inventory and accounts of the inputs used for the manufacture of exempted final product and not avail credit thereon in which case he need not reverse the credit at 8% as mentioned above. The Rule 57CC is not applicable to a few specified products like textiles, articles of plastics etc.

- (ii) As per the provisions of Rule 57F(3) a manufacturer availing credits on the inputs can send the inputs as such or after partial processing to a job worker outside for further processing of the inputs or partially processed inputs and bring the same back within certain specified time period. This facility was misused and in many instances the goods were not brought back leading to revenue leakages. In order to prevent such misuse, a new rule 57F (3A) has been introduced as per which a manufacturer who has availed credit on the inputs, while sending the goods for further processing has to reverse an amount equal to 10% of the value of the inputs or partially processed inputs. On return of the processed goods from the job worker in full, the manufacturer is entitled to take the credit again for an equivalent amount.
- (iii) The Modvat Credit Scheme has also been extended to specified processed fabrics of cotton and manmade fibres and yarns w.e.f. 4.9.96.
- (iv) Prior to amendment in Modvat Credit Scheme (i.e. prior to 1.9.96) Modvat Credit on inputs and capital goods could be taken on the basis of invoices issued by any dealer registered with the Central Excise Department. This facility was reportedly being misused. To prevent such misuse, rules have been amended to restrict the issue of modvatable invoices by dealers upto two stages only.
- (v) The provisions relating to credit of duty on Capital goods have been amended. These changes have been made with the intention of doing away with the interpretational problems regarding the scope of capital goods which are eligible for taking credit under the scheme. Now, capital goods on

which credit is available have been specified by reference to their heading or sub-heading numbers under which they fall or by their description. Credit is also made available on such capital goods used in the factory for any purpose.

2. While the changes made in the capital goods Modvat Scheme came into force w.e.f. 23.7.96, the other changes have been brought into force w.e.f. 1.9.96. As per information available, the response of the trade so far has been positive.

Production of Cars

1283. SHRI HARIN PATHAK : Will the Minister of INDUSTRY be pleased to state :

(a) whether there has been adequate increase in car manufacturing capacity in the country during recent years;

(b) if so, the manufacturing capacity of cars in the country and cars manufactured during each of the last three years;

(c) whether the rates of cars are increasing day by day;

(d) if so, the reason thereof; and

(e) the foreign exchange earned during the above period on account of export of car?

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

(b) The manufacturing capacity of cars in the country has been 2,83,540 in 1993-94, 3,37,740 in 94-95 and 5,34,500 in 1995-96. The production of cars in 1993-94, 1994-95, and 1995-96 has been 2,09,695, 2,64,368 and 3,48,242 respectively.

(c) and (d). There has been increase in the prices of cars due to increase in the cost of inputs.

(e) The foreign exchange earned during the years 93-94, 94-95, 95-96 on account of export of cars has been approx. Rs. 204 crores, Rs. 274 crores, Rs. 373 crores respectively.

External and Domestic Debt

1284. SHRI BHAGWAN SHANKAR RAWAT :
SHRI K. PARASURAMAN :
SHRI O.P. JINDAL :

Will the Minister of FINANCE be pleased to state :

(a) the quarterly increase in the external and domestic debt of the country and the interest thereon during the first half of current financial year alongwith the corresponding figures of last year;

(b) the impact of increased debt on balance of payment of the country; and

(c) the percentage of the revenue earned during the current year and the amount spent on the payment of debt and interest?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The position is compiled at the end of the financial year. The details are as under :

(Rs. in crore)

	1995-96 (RE)	1996-97 (BE)
Fiscal deficit (additional borrowings)		
(i) Internal debt and other liabilities	62041	59805
(ii) External debt	1969	2461
Interest payment		
(i) Internal debt and other liabilities	47101	54726
(ii) External debt	4899	5274

(b) Increase in external debt affects balance of payments position due to additional debt service requirements.

(c) Repayment of debt is met out of fresh borrowings while interest payment is met out of revenue receipts. The details of the provisions in BE 1996-97 are as under :

1996-97 (BE)
(Rs. in crore)

1. Repayment of Debt (Excluding discharge of 91 day Treasury bills, Reserve Funds and Deposits not bearing interest and suspense transaction)	68558
2. Total interest payments	60000
3. Revenue receipts	130345
4. Percentage of 2 to 3	46%

Disinvestment Commission

1285. SHRI BADAL CHOUDHURY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware of the news item published in the Economic Times dated 23 September, 1996 under the caption "Lackaddisical core group paralyses disinvestment panel";

(b) if so, the total number of cases referred to the Commission so far and the number of cases in which the Commission has given its recommendations; and

(c) the steps being taken to make the disinvestment Commission more effective?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. Government are aware of the news item.

(b) and (c). So far 40 PSUs have been referred to the disinvestment Commission. No recommendations have been received from the Disinvestment Commission in this regard so far. The Commission was set up on 23.8.96, and it would be premature at this stage to consider steps to make the Commission more effective.

Letters from Members of Parliament

1286. SHRI SANTOSH KUMAR GANGWAR : Will the Minister of FINANCE be pleased to refer to the reply given to the Unstarred Question No. 2702 on August 2, 1996 and state :

(a) whether the information has since been collected in this regard;

(b) if so, the details thereof; and

(c) if not, the reasons for the delay?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Full information has not yet been collected in view of the need to receive and collate from different agencies.

Export Credit by Banks

1287. SHRI A.C. JOS : Will the Minister of FINANCE be pleased to state :

(a) the target fixed by Commercial banks for providing export credit during 1996-97;

(b) whether there is any proposal to enhance this target;

(c) whether the Government propose to make it mandatory for the private sector banks also to provide export credit; and

(d) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) A target of 12% of net bank credit has been fixed for export credit after the recent monetary policy announcement by the Reserve Bank of India (RBI);

(b) Earlier, the target was 10% of net bank credit and this has been increased to 12%. There is no proposal to enhance the target further.

(c) RBI has reported that the target of 12% of net bank credit is also applicable to private sector banks.

(d) Does not arise.

Banks Frauds

1288. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitems captioned "7.6 crore ki dhokadhari mein paanch bank afson samet aat bandi" and "Rs. 33 crore scam in PNB" appearing in the Dainik Jagaran and Times of India dated 14 and 15 September, 1996 respectively;

(b) if so, the details thereof;

(c) the details of the norms laid down for grant of credit facilities by bank officials; and

(d) the number of such other cases recorded in the public and private sector banks, bank-wise and branch-wise, and the action taken against the persons found guilty?

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

(b) Reserve Bank of India (RBI) have reported that during the course of inspection of Marve Road Malad (West), Mumbai branch of Punjab National Bank, it had come across irregularities/violation of terms of sanction in respect of term loans aggregating to Rs. 10.88 crores to Sajawat Group of Builders for various housing projects. The bank has filed suits for recovery of its dues in December, 1995 and January, 1996. The CBI has registered a case in June, 1996 against the then Regional Manager and the Branch Manager of Punjab National Bank and others.

RBI have also reported that a fraud case involving M/s. Mohan Agro Mills Ltd. and M/s. Ganga Plywood Ind. Co. Pvt. Ltd. was reported by Allahabad Bank in their Lajpatnagar branch in February 1996 involving a sum of Rs. 6.39 crores and US \$ 170,400. CBI have registered a regular case against 3 Branch Managers, Regional Manager and AGM of Allahabad Bank and others in June, 1996.

(c) and (d). Banks have formulated detailed policies and procedures for sanction and disbursement of various types of credit facilities to different categories of borrowers keeping in view the broad guidelines issued by RBI. The various functionaries dealing with credit portfolio are required to follow the laid down systems and procedures while sanctioning loans and advances and other non-funded facilities and to ensure that credit decisions are taken and recovery effected in a prudential manner. The RBI has emphasised the importance of ensuring that various functionaries exercise their discretionary powers vested in them with diligence. Departmental proceedings/vigilance proceedings are instituted in cases where the prescribed procedures are not followed by the officials based on malafide intentions revealed against the employee.

The number of cases of frauds (bank-wise) reported by various public sector banks to the RBI during the years 1993, 1994, 1995 and 1996 (upto March) and the amount involved therein and the action taken against the delinquent employees of public sector banks for frauds during the years 1993, 1994, 1995 and 1996 (upto March) are given in the Statement I and II enclosed.

Information readily available relating to total number of frauds reported to RBI by private sector banks during 1993, 1994, 1995 and 1996 (upto June) is given below:

Year	No. of frauds	Amount involved (Rs. in crores)
1993	223	8.61
1994	215	4.54
1995	182	14.51
1996 (upto June)	127	10.83

Information relating to action taken against delinquent employees of private sector banks is not maintained by RBI.

STATEMENT-I

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

		(Rupees in lakhs)							
S.No.	Name of the Bank	Number of Frauds				Amount involved			
		1993	1994	1995	1996 (upto Mar.)	1993	1994	1995	1996 (upto Mar.)
1	2	3	4	5	6	7	8	9	10
1.	State Bank of India	597 02	616	554	101 02	773.44 25.08	2010.97	789.99	1274.79 54.38
2.	State Bank of Bikaner and Jaipur	36	21	18	03	536.63	11.06	194.45	9.09
3.	State Bank of Hyderabad	28	23	40	01	97.11	63.55	157.59	0.20

1	2	3	4	5	6	7	8	9	10
4. State Bank of Indore	20	26	09	02	161.63	1169.39	19.63	0.24	
5. State Bank of Mysore	28	37	38	04	7.51	252.95	22.87	2.79	
6. State Bank of Patiala	26	30	33	02	222.61	100.05	610.11	4.42	
7. State Bank of Saurashtra	07	12	09	02	16.17	17.98	106.26	12.90	
8. State Bank of Travancore	20	25	22	08	32.49	70.22	126.21	57.75	
9. Allahabad Bank	33	39	48	14	45.14	2343.58	105.32	121.19	
10. Andhra Bank	66	25	41	07	2130.92	131.00	523.80	4.80	
11. Bank of Baroda	139	159	114	23	568.46	2905.71	1151.74	120.49	
	12 *	15 *	10 *		35.54	528.63	52.85		
						+U.Sh.			
						9844000			
12. Bank of India	168	215	156	48	725.19	728.62	496.82	122.30	
	16 *	11 *	04 *	01 *	4249.29	988.51	8.84	4.65	
13. Bank of Maharashtra	22	50	31	08	404.65	465.11	1891.65	43.73	
14. Canara Bank	259	217	167	49	801.13	1402.21	1953.01	43.11	
15. Central Bank of India	85	130	73	38	3234.72	347.46	188.64	19.50	
16. Corporation Bank	31	38	23	07	42.24	38.28	86.13	4.16	
17. Dena Bank	20	22	14	06	159.65	1049.62	140.04	18.42	
18. Indian Bank	41	60	37	14	638.24	286.26	83.08	34.23	
19. Indian Overseas Bank	75	71	43	10	143.54	356.97	326.92	5.39	
20. New Bank of India	29	-	-	-	69.72	-	-	-	
21. Oriental Bank of Commerce	22	14	12	04	102.97	230.88	630.80	1.94	
22. Punjab National Bank	88	118	56	27	3224.29	2003.36	212.70	191.05	
23. Punjab and Sind Bank	21	17	17	04	654.21	163.26	74.38	14.11	
24. Syndicate Bank	139	103	109	22	174.10	1371.80	782.43	22.68	
25. Union Bank of India	61	39	59	18	756.54	336.54	251.71	131.53	
26. United Bank of India	50	43	40	09	11459.66	171.09	41.21	23.80	
27. UCO Bank	35	58	74	08	183.46	416.89	374.17	26.84	
	4 *				165.27				
28. Vijaya Bank	33	32	39	12	190.83	45.93	147.77	2.19	
Total	2213	2266	1890	454	32032.43	20007.88	11551.12	2372.67	
						+U.Sh.			
						9844000			

(Data Provisional)

STATEMENT-II

Statement showing Bank-wise action taken against the delinquent employees of Public Sector Banks for frauds during the years 1993, 1994, 1995 and 1996 (Upto March)

Name of the Bank	2				3				4				
	1993	1994	1995	Convicted	Awarded major/minor penalties	Out of (3) dismissed/ discharged/removed	1993	1994	1995	*1996	1993	1994	1995
State Bank of India	24	28	16	03	164	219	199	48	58	68	49	07	
State Bank of Bikaner & Jaipur	-	-	01	-	20	18	33	01	05	03	-	-	
State Bank of Hyderabad	15	04	-	-	33	25	18	03	09	04	04	01	
State Bank of Indore	-	-	-	-	-	12	01	02	-	01	-	01	
State Bank of Mysore	-	-	01	01	16	13	10	03	05	04	04	-	
State Bank of Patiala	-	-	-	-	09	12	06	04	03	06	04	02	
State Bank of Saurashtra	-	-	-	-	01	08	09	04	01	02	-	-	
State Bank of Travancore	-	-	-	-	06	32	16	02	01	07	04	-	
Allahabad Bank	-	-	-	-	29	32	35	02	06	08	03	-	
Andhra Bank	02	07	05	-	20	28	27	12	03	05	08	05	
Bank of Baroda	-	-	-	-	13	15	23	08	06	02	03	02	
Bank of India	-	01	-	-	11	38	37	06	07	18	21	05	
Bank of Maharashtra	-	-	-	-	13	13	30	01	08	07	12	-	
Canara Bank	05	-	-	-	88	85	96	26	26	27	30	08	
Central Bank of India	-	01	-	-	67	81	58	27	42	44	23	09	
Corporation Bank	05	-	03	-	05	04	17	05	04	04	06	03	
Dena Bank	-	-	-	-	27	30	27	09	07	07	05	03	
Indian Bank	01	-	-	01	64	121	71	28	08	08	04	-	
Indian Overseas Bank	03	02	02	-	47	73	82	09	13	23	13	05	
Oriental Bank of Commerce	-	-	-	-	01	08	04	-	03	04	02	-	
Punjab National Bank	01	03	01	-	91	221	169	64	22	54	29	10	
Punjab & Sind Bank	-	-	03	-	10	37	26	09	05	09	05	04	
Syndicate Bank	-	-	01	-	55	29	50	20	42	19	36	10	
Union Bank of India	-	-	-	-	26	36	28	02	14	11	10	-	
United Bank of India	-	-	-	-	-	16	32	02	-	02	10	-	
UCO Bank	01	02	-	-	30	28	39	08	11	11	12	03	
Vijaya Bank	-	02	-	-	28	14	17	02	03	02	04	-	
Total	57	50	33	05	874	1248	1160	307	312	360	301	78	

Upto March 1996

Data Provisional

*Upto March 1996

Data Provisional

Inflation Rate

1289 SHRI AMAR PAL SINGH
PROF. OMPAL SINGH NIDAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of the wide difference in inflation rates based on the wholesale prices index and the consumer price index particularly since the third quarter of financial year 1995-96;

(b) if so, the details thereof;

(c) the reasons if any identified therefor; and

(d) the corrective measures taken or proposed to be taken by the Government in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The inflation rate based on Wholesale Price Index (WPI) and the Consumer Price Index for Industrial Workers (CPI-IW) for the third quarter of 1995-96 is listed in the Table below.

Table

Annual Inflation Rate

1995-96	Based on WPI	Based on CPI-IW
October	8.4	10.4
November	8.3	10.3
December	6.4	9.7
January	5.0	9.0
February	4.6	8.6
March	5.1	8.9
1996-97		
April	5.0	9.6
May	4.5	9.3
June	4.5	8.8
July	6.0	8.3
August	5.6	8.9
September	6.4(P)	8.5
October	6.4(P)	N.A.

(P=Provisional)

(c) The difference in the inflation rate between the two series is primarily due to the difference in their commodity composition and hence their weights. The weight of the food items in the CPI-IW is almost twice that in the WPI; as against a weight of 32 assigned to food items in WPI, the weight given to food items in CPI-IW is 57. Hence higher rise in the price of food products relative to non-food products has resulted in a higher inflation rate based on the CPI-IW.

(d) The supply-side measures taken by the Government to moderate the rise in prices of food item include the continued open market sale of foodgrains by the FCI besides strengthening and expanding the coverage through PDS. On demand side, Government is striving to contain fiscal deficit in the budget for 1996-97 to 5% of GDP and to contain monetary growth to 15.5-16% through prudent monetary policy.

Import of Ammonia

1290. SHRI KODIKKUNNIL SURESH : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have taken any decision for import of Ammonia;

(b) if so, the details thereof and the price fixed for this item;

(c) the impact on domestic price of ammonia due to import of ammonia;

(d) whether the Government have received any representation from the Kerala against the import of ammonia;

(e) if so, the details thereof; and

(f) the reaction of the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). As per information received from Ministry of Chemicals & Fertilisers, Government does not import ammonia since it was decanalised w.e.f. 1.4.1992.

(c) Information relating to impact on domestic price of ammonia due to import of ammonia is not maintained by the Ministry of Commerce.

(d) to (f). As per information received from the Ministry of Chemicals & Fertilisers, though no representation has been received from the Government of Kerala against import of ammonia, a Civil Appeal is pending before the Supreme Court titled "FACT & Others versus Law Society of India & others" on the issue of environmental threat posed by ammonia storage facility of FACT at Willingdon Island in Cochin Port.

Production of Vehicle

1291. SHRIMATI VASUNDHARA RAJE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have urged the Indian Automobile Units to produce vehicles in which consumption of Oil is less;

(b) if so, the details thereof; and

(c) the steps taken by different automobile manufacturer to produce such vehicles?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). It has been the policy of the Government to encourage manufacture of fuel efficient

vehicles. Certain fiscal incentives were being given for manufacture of such vehicles. However, as a result of rationalisation of duty structure, these incentives have since been withdrawn.

(c) Automotive vehicle manufacturers have entered into foreign technical collaborations to import technology for manufacture of fuel efficient vehicles.

Domestic Demand and Import of Coffee

1292. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) the details of average monthly requirement of coffee in the domestic market at present;

(b) the total quantity of coffee sold with its value in the domestic market during each of the last three years;

(c) whether there is any gap between demand and supply of coffee in the domestic market;

(d) if so, the details thereof; and

(e) the steps taken by the Government to increase the demand of coffee in the domestic market?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The average monthly requirement of coffee in the domestic market is estimated around 4500-5500 tonne.

(b) The total quantity of coffee sold with its value in the domestic market is as follows :-

Year	Quantity (in tonne)	Value (Rs. In crore)
1993	49928	231.97
1994	54000	542.70
1995	54000	583.20

(c) No, Sir.

(d) Does not arise.

(e) The Coffee Board undertakes various promotional measures like participation in festivals fairs and exhibitions in the internal market to promote consumption of coffee. The Board also conducts training programme in coffee brewing techniques to promote consumption of coffee.

Setting up of A Task Force on Common Effluent Treatment Plants

1293. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have constituted a task force for coordination the issue relating to setting up of common effluent treatment plants and remove

impediments causing delays in the commissioning of projects;

(b) if so, the composition of the task force;

(c) whether the representatives of the financial institutions have also been associated with the task force; and

(d) the extent to which the task force has helped in removing the impediments causing delays in the commissioning of projects?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). Yes, Sir. The Govt. has constituted a task force on 5.7.96 to co-ordinate action relating to setting up of common effluent treatment plants (CETPs) for tanneries. This task force is composed of representatives from the following organisations including financial institutions :-

Ministries of Environment & Forests, Industry, Commerce; Central Leather Research Institute; National Environmental Engineering Research Institute; Central/ State Pollution Control Boards of Tamil Nadu, UP, West Bengal, IDBI; SIDBI; HUDCO; UNIDO; National Leather Development Programme and Council for leather exports.

(d) The Task Force has been coordinating all matters relating to CETPs. In its first meeting on 15.10.96 issues concerning removal of ceiling on Central subsidy on setting up of CETPs; providing bridge loan facility by financial Institutions; providing technical consultancy by CLRI and NEERI for preventing of tannery pollution; review of pollution discharge norms; import duty concessions on certain special chemicals and equipments required for treatment of tannery effluent etc. were considered.

Filling up of Reserved Posts in RBI

1294. SHRI K.P. SINGH DEO : Will the Minister of FINANCE be pleased to state :

(a) whether the posts reserved in class IV and class III for Scheduled Castes and Scheduled Tribes are not being filled up in Reserve Bank of India;

(b) if so, the reasons therefor; and

(c) the steps taken to expedite the recruitment with proper justice to all categories?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Reserve Bank of India (RBI) has reported that there is no backlog in Scheduled Castes posts, either in clerical or sub-staff categories. There is, however, backlog in Scheduled Tribes posts in these categories. RBI have further reported that due to the on-going re-organisation of certain departments, increasing computerisation and devolution of powers to public sector banks in respect of certain function shitherto performed by the Bank, there has been a decline in its staff requirements. However, the backlog of Scheduled

Tribe posts would be taken care of when fresh recruitment is done in future.

Co-operative Bank of India

1295. SHRI SURESH PRABHU : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have proposed to grant licence to Co-operative Bank of India; and

(b) if so, the time by which it is likely to be set up?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India (RBI) has reported that a society by the name 'National Co-operative Bank of India' has sought a licence to conduct banking business. RBI has further informed that grant of such a licence will require amendment of the Banking Regulation Act.

Industrial Backward Regions

1296. SHRI ANNASAHIB M.K. PATIL : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that disparity between backward regions and developing regions has increased manifold and backward regions in many States continue to remain backward inspite of Government's incentives for setting up of industry in backward regions due to lack of proper infrastructure facilities;

(b) if so, whether the Government are considering a fresh package of incentives for backward regions and workout effective and pragmatic strategies for industrialisation of backward regions and removal of imbalance in inter-regional growth; and

(c) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). The Government is aware that because of lack of infrastructure facilities, some regions have remained industrially backward. The Government, therefore, is facilitating promotion of more investment in infrastructure, both in public and private sector. Besides the implementation of the Centrally Sponsored Schemes like the Transport Subsidy Scheme, the Growth Centre Scheme and the Integrated Infrastructural Development Scheme, the Government has recently announced various fresh initiatives for accelerated development of North-Eastern Region, which is one of the most backward regions of the country.

Foreign Direct Investment in Small and Medium Sector

1297. SHRI NAMDEO DIWATHE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are considering a

proposal to make foreign direct investment in small and medium sectors attractive and also use this segment of industry for sourcing semi or fully finished goods for international markets;

(b) if so, the details thereof alongwith number of reserved categories and items reserved for small scale sector and extent of dereservation proposed;

(c) the likely impact of the proposed changes; and

(d) the reaction of small scale sector to the proposed dereservation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir. Presently, equity investment in small scale industries by domestic or foreign companies is limited to 24 per cent. On account of investment limits in plant and machinery, extent of foreign direct investment in the small scale sector is negligible.

(b) to (d). Presently, there are 836 products reserved for production in the small scale sector. Large companies, whether domestic or foreign can undertake manufacture of reserved items, only if they undertake an export obligation of a minimum of 75 per cent of annual production. The list of reserved items has remained the same since July, 1989.

12.00 hrs.

PAPERS LAID ON THE TABLE

[English]

Annual Report and Review on the working of Central Pulp and Paper Research Institute, Saharanpur for 1995-96 etc.

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : Sir, I beg to lay on the Table.

- (1) (i) A copy of the Annual Report (Hindi and English versions) of Central Pulp and Paper Research Institute, Saharanpur, for the year 1995-96, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Central Pulp and Paper Research Institute, Saharanpur, for the year 1995-96.

[Placed in Library See No. LT-662/96]

- (2) A copy each of the following papers (Hindi and English versions) :-

- (i) Memorandum of Understanding between the Bharat Bhari Udyog Nigam Limited and the Department of Heavy Industry, Ministry of Industry for the year 1996-97.

[Placed in Library See No. LT-663/96]

- (ii) Memorandum of Understanding between the HMT Limited and the Department of Heavy Industry, Ministry of Industry, for the year 1996-97.

[Placed in Library See No. LT-664/96]

- (iii) Memorandum of Understanding between the Bharat Yantra Nigam Limited and the Department of Heavy Industry, Ministry of Industry, for the year 1996-97.

[Placed in Library See No. LT-665/96]

Coinage Standard Weight and Remedy of Commemorative coins of one hundred rupees (containing silver fifty percent, copper forty percent, nickel five percent and Zinc five percent) fifty rupees, Ten rupees and two rupees (containing copper seventy - Five percent and nickel twenty five percent) coined in the memory of "Sardar Vallabhabhai Patel" Rules, 1996 etc.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, I beg to lay on the Table :

- (1) A copy of the Coinage Standard Weight and Remedy of Commemorative Coins of One Hundred Rupees (containing Silver Fifty percent, Copper Forty percent, Nickel Five percent and Zinc five percent), Fifty Rupees, Ten Rupees and Two Rupees (Containing Copper Seventy-five percent and Nickel Twenty-five percent) coined in the Memory of "Sardar Vallabhabhai Patel" Rules, 1996 (Hindi and English Versions) published in Notification No. G.S.R. 485(E) in Gazette of India dated the 18th October, 1996, under sub-section (3) of section 21 of the Coinage Act, 1906.

[Placed in Library See No. LT-666/96]

- (2) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962:-

- (i) The Adhoc Exemption Order No. 92 dated the 25th June 1996 together with an explanatory memorandum making certain amendments in the Adhoc Exemption Order No.114 dated the 21st April, 1995.
- (ii) The Adhoc Exemption Order No.99 dated the 28th June, 1996 together with an explanatory memorandum regarding exemption to Plant and Machinery etc. required for the setting up of an Ammonia Plant Replacement Project at Udyogmandal for supply of Ammonia to the fertilizer Plants from the whole of the basic and additional duties of customs leviable thereon.
- (iii) The Adhoc Exemption Order No. 105 dated the 14th July, 1996 together with

an explanatory memorandum seeking to amend the adhoc exemption order No. 139 dated the 25th June, 1993.

- (iv) The Adhoc Exemption Order No. 112 dated the 8th July 1996 together with an explanatory memorandum regarding exemption on import of specified equipments required for Jeypore-Gazuwake HVDC back-to-back transmission project of M/s. Power Grid Corporation of India from the whole of the basic and additional duties of customs leviable thereon.

- (v) G.S.R. 274(E) published in Gazette of India dated the 10th July, 1996 together with an explanatory memorandum making certain amendments in the Notification No. 12/96-Cus., dated the 11th March, 1996.

[Placed in Library See No. LT-667/96]

- (3) A copy of the Narcotic Drugs and Psychotropic Substances (Second Amendment) Rules, 1996 (Hindi and English versions) Published in Notification No. G.S.R. 509(E) in Gazette of India dated the 4th November, 1996, under section 77 of the Narcotic Drugs and Psychotropic Substances Act, 1985.

[Placed in Library See No. LT-668/96]

- (4) A copy of the Notification No. G.S.R. 406(E) Hindi and English versions) published in Gazette of India dated the 4th September, 1996 together with an explanatory memorandum making certain amendments in the Notification No. 266/67-CE, dated the 28th November, 1967, under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944.

[Placed in Library See No. LT-669/96]

Review on the working of and Annual Report of Tea Trading Corporation of India Limited, Calcutta for 1994-95 etc.

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : 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) Review by the Government of the working of the Tea Trading Corporation of India Limited, Calcutta, for the year 1994-95.
- (ii) Annual Report of the Tea Trading Corporation of India Limited, Calcutta, 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 (1) above.

[Placed in Library See No. LT-670/96]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Spices Board, Cochin, for the year 1995-96.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Spices Board, Cochin, for the year 1995-96.

[Placed in Library See No. LT-671/96]

- (4) A copy of the Memorandum of Understanding (Hindi and English versions) between the Export Credit Guarantee Corporation of India Limited and the Ministry of Commerce for the year 1996-97.

[Placed in Library See No. LT-672/96]

Memorandum of Understand between the Neyveli Lignite Corporation Limited and Ministry of Coal for 1996-97.

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : Sir, I beg to lay on the Table :

A copy of the Memorandum of Understanding (Hindi and English versions) between the Neyveli Lignite Corporation Limited and the Minister of Coal for the year 1996-97.

[Placed in Library See No. LT-673/96]

12.01 hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA) : Sir, with your permission, I rise to announce that Government Business during the week commencing Monday, the 2nd December, 1996 will consist of :

1. Consideration of any item of Government Business carried over from today's Order Paper.
2. Discussion on the Statutory Resolution seeking disapproval of the Income Tax (Amendment) Ordinance, 1996 and consideration and passing of the Income Tax (Amendment) Bill, 1996.
3. Consideration and passing of the following Bills as passed by Rajya Sabha :-

- (a) The Maulana Azad National Urdu University Bill, 1995.

- (b) The Mahatma Gandhi Antarrashtriya Hindi Vishwavidyalaya Bill, 1995.

12.1½ hrs.

[English]

SHRI P.C. THOMAS (Muvattupuzha) : Sir, the following items may be included in the next week's agenda :-

- (1) Need to cooperate with China and other Asian countries to form an 'Asian Economic Community' similar to the European Economic Community to safeguard the common economic interest of Asian Countries especially in the light of the desire expressed by Chinese premier for more cooperation with India.
- (2) The need to give funds to develop backward areas inhabited by tribals for developmental activities and infrastructure building including construction of roads in Erumapra, Kolani, Mechal, Nellappara, Ambacam Mankompu areas of Kottayam district in Kerala.

[Translation]

PROF. RASA SINGH RAWAT (Ajmer) : Mr. Speaker, please include the following subjects in the next week's agenda :

1. Need to convert national Highway upto Delhi-Jaipur-Ajmer-Vayawar into four lanes to prevent accidents and death of so many people daily due to much traffic on Delhi-Jaipur-Ajmer-Vayawar National Highway.
2. Need to do industrial development in district Ajmer by declaring it as industrially backward district.

[English]

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands) : Sir, the following items may be included in the next week's agenda :

- (1) The situation prevailing in the Union Territories which are without Legislature.
- (2) Re: providing adequate air services to Andaman and Nicobar Islands.

[Translation]

SHRI RAMBAHADUR SINGH (Maharajganj) : Mr. Speaker, Sir, the following items may be included in the next week's agenda.

People of Bihar were of the belief that on completion of the Gandak Irrigation Project North Bihar will become foodgrains storage for the country. But even after 25-30

years. this project has not been completed. Thus it has turned into a curse instead of a boon.

The districts of Saran, Sivan and Gopalganj have to suffer most due to this:

[English]

DR. B.N. REDDY (Miryalguda) : Sir, the following items may be included in the next weeks' agenda :-

1. Regarding alleged violation of norms in allotment of houses by the Government of Andhra Pradesh under Indira Awas Yojana.
2. Andhra Pradesh needs new railway lines very badly. I request the Union Government to survey the laying of a new railway line from Hyderabad to Vijayawada along the National Highway No.9 via Nakrekal, Suryapet and Kodad.

[Translation]

PROF. AJIT KUMAR MEHTA (Samastipur) : Sir, the following subjects may be included in the next weeks agenda :

1. There is no coach factory under newly set up railway zone Hazipur. To take a concrete step in the field of industrialisation of this area, I request you to establish a coach Factory near the Samastipur or Ayarpur Railway station under this zone and a Coach Repair Factory near Sharhara Railway Station Yard.
2. At present, the farmers need D.A.P. for the sowing of wheat and calcium fertilizer for other crops which are short not only in Samastipur but also in the whole of Bihar. I, therefore, demand that these fertilizers should be made available soon.

SHRI RAVINDRA KUMAR PANDEY (Giridih) : Sir, the following subjects may be included in the next week's agenda.

The Government should take necessary steps for ensuring proper distribution and sale of essential items under Public Distribution System and Free Sale Market. A Central Supervision Group should be set up to keep a vigil on the distribution system. It should be reviewed from time to time.

SHRI GANGA CHARAN RAJPUT (Hamirpur) (U.P.): Please include the following subjects in the next week's agenda.

1. Bundelkhand is a very backward area in U.P. and M.P. A Declaration should be made to made Bundelkhand a separate state on the ground of its backwardness by the Union Government as done in the case of Uttarakhand.
2. Every year hundreds of villages of district Hamirpur are affected by the flood resulting

loss of life and property worth crore of rupees on the city. This year also the havoc of the flood in Hamirpur district has occurred which has caused huge loss of about Rs.500 crores. Therefore an amount of Rs.100 crore should be released as flood relief fund, for the people of district Hamirpur.

12.08 hrs.

ELECTIONS TO COMMITTEES

[English]

(i) Coir Board

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : Sir, I beg to move the following :

"That in pursuance of sub-rule (1) (e) of Rule 4 of the Coir Industry Rules, 1954, the Members of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of the Coir Board, for a term to be specified by the Central Government."

MR. SPEAKER : The question is:

"That in pursuance of sub-rule (1) (e) of Rule 4 of the Coir Industry Rules, 1954, the Members of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of the Coir Board, for a term to be specified by the Central Government."

The motion was adopted.

12.08½ hrs.

[English]

(ii) Tea Board

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : Sir, I beg to move the following:

"That in pursuance of Section 4(3) (f) of the Tea Act, 1953, read with rules 4(1) (b) and (5)(1) of the Tea Rules, 1954, the Members of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of the Tea Board, subject to other provisions of the said act and the Rules made thereunder."

MR. SPEAKER : The question is :

"That in pursuance of Section 4(3) (f) of the Tea Act, 1953, read with rules 4(1) (b) and (5)(1) of the Tea Rules, 1954, the Members of this House do proceed to elect, in such manner as the Speaker may direct, two Members from among themselves to serve as members of the Tea Board, subject to other provisions of the said act and the Rules made thereunder."

The motion was adopted.

12.09 hrs.

[English]

SHRI P.C. CHACKO (Mukundapuram) : Mr. Speaker, Sir, I am grateful to you for giving me some time to raise a matter of great concern regarding the youth of this country.

Sir, the evil practice of ragging which is prevailing in the colleges, hostels and in the college campuses has become a matter of shame for the whole country. What is going on in the name of ragging is only uncivilized, anti-social and sadistic cruel activities leading to violence and sometimes murder. Sir, only the other day at Chennai, the only son of the Vice-Chancellor of the Madras University was brutally killed in a college hostel in the name of ragging. The perpetrators of this crime inflicted all kinds of injuries on the victim. After the victim fell unconscious, his hands were chopped off. His limbs were chopped off using the dissection tools and they were thrown off to a nearby canal. But the cruelty did not end there. His body was packed in a carton and that was put in a service bus.

Sir, in the name of ragging, the conduct of the students has become a matter of shame for the country. The Chief Minister of Tamil Nadu has come out openly with a statement that this will be dealt with strongly. We have had such statements in the past, but they vanish in the air in course of time. There is no law at present in the country prohibiting these things. I know many students who are physically handicapped, who are mentally derailed, who are victims of these kinds of atrocities and are surviving as the living examples of these barbaric atrocities.

Sir, I urge upon the Government to bring in a Bill in this Parliament to ban ragging totally in the country and to implement it with all the power at the command of the Government.

Sir, exemplary punishment is the only deterrent factor for the time being. So, the people who are involved in this sort of crime should be dismissed from colleges and exemplary punishment should be given to them. I

beg through you, Sir, to take an appropriate action in consultation with the State Government in this matter.

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) : Sir, we give our unanimous support...(Interruptions)

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands) : Mr. Speaker, Sir, I would like to draw the attention of the House to a very important issue prevailing in Andaman and Nicobar Islands.

As you know, Andaman and Nicobar Islands, being the Union Territory, the administration is run by the Government of India through an Administrator. For the last one year there has been no regular Administrator. Once the Lt. Governor of Pondicherry was looking after the responsibilities of administration and thereafter perhaps the Governor of Tamil Nadu is looking into it.

Now, recently, the Government of India, Ministry of Environment and Forests have issued a direction by which no sea sand or stone quarry work can be done in Andaman and Nicobar Islands. For any development work, any construction work like construction of a school building, hospital, houses etc., sand and stone has to be taken from the mainland. So, today, the entire development activities, construction work, etc. have been stopped. That means whatever the money has been allocated for this year's development work, major portion of that amount will have to be refunded back and hence no development work can be undertaken because of this order.

I had a meeting with the Minister of Environment and Forests. He also assured me that he would do something. But, unfortunately, no tangible result has been seen till today. I talked to the hon. Prime Minister. I have written to everybody. I tried to explore the possibilities of the good sense of the Government, but I failed. Thereafter, this House is the only forum, as these small and tiny islands are fully dependent on the mainland of India and dependent on this Parliament. We have no Assembly; we have nothing where we can ventilate our grievances.

Sir, your goodself have also visited the Islands, many of the eminent Members of this House and former Prime Ministers have visited the Islands. I seek all your support in this matter so that the work should be started immediately without any delay. The work should not be hampered and the people should not suffer in that part of the country...(Interruptions)

MR. SPEAKER : The Minister of Parliamentary Affairs may convey it to the Home Ministry.

(Interruptions)

MR. SPEAKER : Dr. Ramesh Chand Tomar.

SHRI HANNAN MOLLAH (Uluberia) : Sir, the Union Territories are never discussed in the House...(Interruptions) We demand that a special discussion under rule 193 should be allowed so that all parties can participate in the debate and can express their

unified opinion on how the Union Territories should be run and what are their problems...*(Interruptions)*

MR. SPEAKER : Please take your seat. I have called Dr. Tomar.

SHRI HANNAN MOLLAH : Sir, we demand a special discussion under rule 193 on Union Territories.

MR. SPEAKER : Okay. You have made your point.

12.16 hrs.

(Mr. Deputy Speaker in the Chair)

[Translation]

DR. RAMESH CHAND TOMAR (Hapur) : Mr. Deputy Speaker, Sir, the law and order situation in Uttar Pradesh, the has worsened. The incidents of looting, robbery and kidnapping are at its peak. The entire state is in the grip of anarchy.

Such incidents have alarmingly increased in my Parliamentary Constituency, Hapur (Ghaziabad). The policy have failed to check these incidents. Instead, it is encouraging such incidents. People are living in an atmosphere of fear in my constituency. When the protector of law becomes the violator of law, then from where one can expect justice.

Sir, the police personnels, in order to get rank promotion killed four people in a fake encounter in the broad day-light on 8th November at Machhari picket under Bhojpur police station. Out of the four persons killed, three were minors and Ashok, one of the minors was only 17 years old. He was the only brother of three sisters and lone earning member in the house. The police killed him in the broad day-light. There was no criminal case against him. He was innocent. Similarly, Jalaluddin, who was 18 years old was also killed by the police, Parvesh, the only earning member of the family was also killed alongwith Jasbir who was 29 years old, in the same fake encounter. The people of the area are agitating against the police and the fake encounter and demanding action against the police officials involved in this murder, but on the contrary, police officials are threatening the public and trying to implicate the agitating people in false cases. The people are not coming out of their homes as they fear that the police may implicate them in false cases.

I urge upon the Minister of Home Affairs to get an inquiry conducted by the CBI into the fake encounter case in which four young people were killed. Further, after suspending the erring police personnel, a case under section 302 should be registered against them. Since there are no earning members in the families of persons killed in this encounter, each family should be provided a compensation of Rs. 5 lakh. The police officers who are not taking action against the guilty police personnel, should be transferred. The people of

the area can heave a sigh of relief from these actions and lead a happy life.

SHRI ATAL BIHARI VAJPAYEE (Lucknow) : Mr. Deputy Speaker, Sir, it would be a serious situation if no action is taken on the issue raised by the hon. Member which the House heard with rapt attention. This House is directly responsible for the governance in Uttar Pradesh since the State is under the President's Rule. Fake police encounters are taking place in the State and youngsters are being killed. When such incidents are taking place in Ghaziabad which is adjacent to Delhi, we can imagine the situation in the entire State. Please direct the Central Government to collect all the facts with regard to the matter raised by Dr. Ramesh Chand Tomar and lay them on the Table of the House. The enquiry should be conducted against the guilty police officials. If they are proved guilty, they should be punished.

THE MINISTER OF RAILWAYS (SHRI RAM VILAS PASWAN) : Mr. Deputy Speaker, Sir, we shall bring this matter to the knowledge of the hon. Home Minister and tell him to take action in this matter and inform the House about it.

[English]

SHRI RAJESH PILOT (Dausa) : Please give me also a chance on this.

MR. DEPUTY SPEAKER : Yes.

[Translation]

SHRI RAJESH PILOT : Mr. Deputy Speaker, Sir, Sugar mills in Uttar Pradesh have not started functioning. The U.P. Administration is not getting the payment made due to farmers and the farmers are also not getting the support price declared by the Government. The mills will do the crushing for one or two months and then close for the whole year. Please instruct the U.P. administration to ask sugar mills to take the sugarcane from the farmers and give them adequate price. Only then, the crop will be beneficial otherwise, the crop will get destroyed after three months.

DR. RAM CHANDRA DOME (Birbhum) : Thank you Mr. Deputy-Speaker. Sir, I want to draw the attention of the House and of the Government through you about the recent railway accident that occurred in my district of Birbhum. Because of this accident one rake of oil tanker has derailed and due to this the oil spillage was there. Due to over-spillage of oil, standing crops have been damaged in a vast area. Nearly 200 acres of land has been affected. This incident has taken place near Dubrajpur railway station in Birbhum district on the Andal-Sainthia railway section. Hundreds of peasants have been affected. But the Government has done nothing to compensate the peasants for the damage. They are waiting for adequate compensation from the Railway Department. But nothing has been paid as yet to them.

So, I urge upon the Government to inquire into the matter and expedite the disbursement of adequate compensation to the affected farmers there. Sir, my submission is that the Railway authorities have to pay this compensation.

DR. ASIM BALA (Navadwip) : Mr. Deputy-Speaker, Sir, please allow us also.

[English]

MR. DEPUTY SPEAKER : Everybody will get the opportunity. Please wait.

[Translation]

I shall try to accommodate every Member by extending the sitting for half an hour or one hour. You should also be ready to sit for another half an-hour. Everybody will get a chance.

SHRI B.L. SHARMA 'PREM' (East Delhi) : Mr. Deputy Speaker, Sir, the 5th pay commission for Central Government employees was constituted in 1993 and it had started its work in 1994. As per the commission, their report was scheduled to be presented in June, 1996 but it has not been presented till date. All the Government employees are agitating. Such a situation has been created in the country which may disturb the industrial peace. They are sitting on a dharna outside the office of the Pay Commission and have given a call for total 'bandh' in the country.

I would request you to kindly direct the Government to present the Pay Commission's report before 22nd instant i.e. before the end of the current session.

SHRI S.P. JAISWAL (Varanasi) : Mr. Deputy Speaker, Sir, I associate myself with the statement made by the hon. Member and demand that the Pay Commission's report should be presented immediately keeping in view the Government employee's agitation for the last three days.

[English]

DR. ASIM BALA : Sir, the I.D.P.L. was a pioneer pharmaceutical public sector enterprise. Now it has become so sick that even the salary of the field representatives, or field workers and other workers are not paid and they are not getting their salary. We have been demanding for a long time that the modernisation of the I.D.P.L. should be taken up by the Government. The Government also tried. But due to some mismanagement these things have happened. We immediately demanded from the Government that all the workers and field representatives should get their salary immediately. We also demand that the I.D.P.L. should be treated as a core and strategic industry in the pharmaceutical sector. We also demand that the revival plan for the I.D.P.L. should be taken up urgently in consultation with the workers' unions of I.D.P.L. and field workers. Sufficient funds should be released immediately for the present operational needs.

Sir, I also want to make a humble request to you about the cycle industry.

MR. DEPUTY-SPEAKER : You can raise only one issue.

DR. ASIM BALA : Thank you Sir.

[Translation]

VAIDYA DAU DAYAL JOSHI (Kota) : Mr. Deputy Speaker, Sir, the entire country is experiencing shortage of wheat. Yesterday, Shrimati Sumitra Mahajan had raised this issue. The Food Corporation of India had reserved around six lakhs sacks of wheat at different stations for open sale in Rajasthan. The said wheat got wet in this year's rainy season. It proved a good luck for the FCI. An officer of Jaipur, showed that the wheat was wet, and then he, in connivance with some big traders, sold the wheat, originally priced Rs. 512 per quintal, for Rs. 450 per quintal in open market. The traders were given 11,000 sacksful of wheat and later that was exported. The Union Government came to know after 15 days that wheat was being sold at Rs. 450/- per quintal in the market and it send letters to state Government to bring down the rate to Rs. 475/- per quintal. After 15 days, wheat was sold at Rs. 475/- per quintal. Thus, in connivance with the big traders, six lakhs sacksful of wheat were sold. The Union Government announced yesterday that it was going to release six lakh tonne of wheat again for sale in the open market sale. I doubt that this six lakh tonne of wheat may also be exported through big traders under a well planned conspiracy. Today, people are craving for wheat. People are bound to purchase flour at the rate of Rs. 11 per kg. The flour mills owners, after purchasing wheat at the rate of Rs. 450 per quintal are selling flour at the rate of Rs. 9 and Rs. 11 per kg. I request that it should be got enquired into. I charge the FCI of misappropriating Rupees three crore in connivance with the big traders under a well planned conspiracy. The money has reached the hands at top level. I had written a letter to the hon. Food Minister, Shri Devendra Prasad Yadav. He replied that he was taking appropriate action on it. I wrote thrice but everytime I received the same one line reply. No action has been taken so far. The FCI has misappropriated three crore rupees and sold the wheat to big traders. The people of India are clamouring for wheat. Appropriate arrangement should be made for the same. When traders brought wheat to the market in my constituency, their wheat was looted. If the price of wheat keeps on increasing in this manner, a situation of anarchy would be created in the country. The Government is requested to make appropriate arrangements in this regard.

SHRI BRIJ BHUSHAN TIWARI (Dumariaganj) : Mr. Deputy Speaker, Sir, the sowing of Rabi crops is in progress. I would like to draw the attention of the House towards the acute shortage of wheat seeds and D.A.P. Fertilizers in the co-operative and Government warehouses as well as in the blocks in my constituency,

Dumariaganj under district Siddharth Nagar. The fertilizers and seeds available at private shops are of inferior quality which would adversely affect the production. I urge upon the Government to instruct the U.P. Government to take necessary action to make available superior quality seeds and D.A.P. Fertilizers in my constituency. Sir, this is not the matter confined to my district only. The whole Uttar Pradesh is plagued by this problem which needs to be addressed.

SHRI MOHAN RAWALE (Mumbai South Central) : Mr. Deputy Speaker, Sir the workers of Scindia workshop have not been given salaries for the last 108 months. I would like to make a submission to Shri Chidambaram. I had taken up this matter time and again with the former Finance Minister, Shri Manmohan Singh. The present Minister of Finance, Shri Chidambaram has initiated it. I would like to submit that 108 months have passed.

[English]

MR. DEPUTY SPEAKER : Why do you repeat it?

[Translation]

SHRI MOHAN RAWALE : Mr. Deputy Speaker, Sir, through you, I would like to make a demand that those who have retired under V.R.S. till 1991 should be given full salaries and those who were declared retired under V.R.S. in 1991 but were on the rolls of the company till 1993 should also be given salaries. Hence I request Shri Chidambaram that all those who were on the roll till 1996 should be given salaries upto 1996. I hope that Shri Chidambaram would take action in this regard. The Finance Minister is present here.

MR. DEPUTY SPEAKER : All right. You have made your point and he has heard it. Please sit down.

SHRI MOHAN RAWALE : I am making an appeal.

MR. DEPUTY SPEAKER : He has heard you appeal. Please resume your seat.

[English]

Please sit down. Why do you not sit down? Please have your seat.

[Translation]

SHRI MANGAL RAM PREMI (Bijnor) Mr. Deputy Speaker, Sir, even after 50 years of Independence, the Scavenging system is still in vogue.

[English]

MR. DEPUTY SPEAKER : Everybody will get a chance.

[Translation]

SHRI MANGAL RAM PREMI : This issue has been raised time and again in this House to ameliorate their pitiable condition. But in the absence of any concrete

action in this regard, this problem is still very much present. The Chairman of Human Rights Commission, Hon'ble Justice Shri Rangnath Mishra had said that if any person was found carrying nightsoil on his head in any village, the Pradhan of that village should be punished and if such a practice was prevalent in a city, the chief officials of that city should be punished. In Municipalities, Notified areas and town areas, the scavenging staff...(Interruptions)

SHRI RAM NAIK : Mr. Deputy Speaker, Sir, this is a very important issue.

SHRI MANGAL RAM PREMI : They have not been given salaries for the last 20 months because of which they are unable to afford two square meals and are living in a very bad condition. They have no knowledge about the details of fund. I request the Government to bring the scavenging staff under the direct control of State Governments so that these people could get salaries on time and their family problems are solved. I would also submit that since it is a very important matter, two hours time should be allotted to discuss it in the House and so long as the discussion is not held and all the members in this House do not express their views on this subject, this problem won't be solved. I would like to make a request to the Government to pay attention towards it.

SHRI RAM NAIK : The leader of the House, Shri Ram Vilas Paswan had been raising this matter time and again. I feel that he should say something in this regard because 50 years have passed since we got independence. We are going to organise a big Function on 9th December and it should be announced therein that this system would be abolished. It is a very important matter and the leader of the House should express his views in this regard...(Interruptions)

SHRI RAM VILAS PASWAN : Mr. Deputy Speaker, Sir, the matter raised by the Hon'ble Member is a blot on our nation that even after 50 years of Independence, there are not one or two but approximately three thousand cities, and other small and big towns where the system of carrying nightsoil on one's head is still in practice. We had formulated a scheme in 1990 to abolish this system within 3 years. Today, if a poor man constructs a house, the Government would give subsidy on it. In Karnataka, there is no system of carrying nightsoil on one's head at all. In the intermittent period, the process slowed down and we have taken it very seriously. The Government is committed to abolish the system of carrying nightsoil within a definite time limit. As for the issue of declaring all such employees as Government employees, you are aware that there are municipalities which have all categories of employees. Hence the State Government would also have to step forward in this regard. The Central Government would surely take an initiative.

SHRI RAMVILAS VEDANTI (Machhilsahar) : Just now the Minister of Railways spoke about the abolition

of the system of carrying nightsoil on one's head. He should first abolish it in his own department where this system is still in practice...*(Interruptions)*

MR. DEPUTY SPEAKER : That is enough. Please sit down.

SHRI RAM KRIPAL YADAV (Patna) : Mr. Deputy Speaker, Sir, through you, I would like to draw the attention of the Government towards my Constituency, Patna. Not a single Central University has been set up in Bihar so far. Patna University fulfils all the conditions for being declared a Central University and for the last 20 years, there has been a demand that if there is any institution which can be accorded the status of Central University, it is the Patna University but the Government has not taken any action in this regard so far.

Through you, I would like to urge upon the Government that a Central University should be set up without further delay in Bihar which is the second most populated state after Uttar Pradesh. Besides, Patna University has on its rolls students not only from Bihar but also from the border areas of Bihar. I demand that necessary action should be taken by the Government to accord the status of Central University to Patna University so that the students from Bihar as well as the students from the neighbouring areas are benefited.

PROF. RASA SINGH RAWAT (Ajmer) : Mr. Deputy Speaker, Sir, through you, I would like to draw the attention of the Government towards a very vital issue. For a long time now, the rumour regarding the hike in price of Petroleum products has been in the air. I would like to make a demand that prices of Petroleum products should not be hiked at all. The Hon'ble Finance Minister is present in the House. Recently he has spoken about the possibility of hike in the prices of Petroleum products during an interview with a private T.V. channel which is, in a way, contempt of the House because these days Parliament is in session. At such a time the issuance of a policy statement outside the House tantamounts to contempt of the House. This would encourage the tendency of black-marketing and hoarding of Petroleum products and as a result the prices of commodities of daily use would also flare up. The Government has hiked the prices of diesel, petrol and LPG only recently and further revision of the prices would put more burden on consumers, push up the inflation and exhaust the bearing capacity of the people.

There has been loss of revenue because of adulteration in diesel and petrol. The poor people in the village do not get kerosene at all. The Government was supposed to impose restrictions on the consumption of petrol but it has failed to do so. As the Government has not taken any strict measures and has also not been able to gather courage in this matter, it is conspiring to hike the prices of Petroleum products.

Recently, the Petroleum Minister has given an indication to this effect in the conference of Economic

experts. The people of this country would never tolerate hike in prices of Petroleum products, if it is resorted to in order to cover up the inefficiency and weak economic policies of the Government. Hence, through you, I would like to request the Government not to increase the prices of Petroleum products as the common man is already overburdened because of inflation. He should be saved from bearing additional burden...*(Interruptions)*

[Translation]

VAIDYA DAU DAYAL JOSHI : I would like to know from the hon. Finance Minister whether there is any proposal to increase the prices of petroleum products ...*(Interruptions)*

[English]

MR. DEPUTY-SPEAKER : Let him speak. Please allow him to speak.

SHRI KODIKUNNIL SURESH (Adoor) : I would like to draw the attention of the hon. House to a serious liquor tragedy occurred in my constituency on the eve of Deepavali. On that day, some State workers of my constituency fell ill after drinking the spurious liquor. Three workers died and more than 40 workers became serious after consuming liquor. They are very poor State workers. This liquor tragedy has shocked the entire State of Kerala.

The workers are still admitted in the hospital and their health has not been improving despite medical attention.

Mr. Deputy-Speaker, Sir, since April 1996, when Shri A.K. Antony was the Chief Minister of Kerala, he has totally banned arrack. At that time, more than 10,000 arrack shops were closed. The police and excise officers were very much alerted and all the arrack shops were closed.

MR. DEPUTY-SPEAKER : Please be brief. It is a State subject, but still I have allowed it.

SHRI KODIKUNNIL SURESH : After the general elections, the LDF came into power, but they are not taking effective steps to ensure the implementation of the ban on arrack. So, the policy of banning arrack manufacturing in our State collapsed totally, and spurious arrack is being manufactured in the entire Kerala now. All the arrack is coming from other States and the police and excise officials are not taking any effective steps to check this. The Government of Kerala is not interested in continuing the ban on arrack. Under these circumstances, many more tragedies may occur in Kerala in future.

Therefore, the Government of India must intervene urgently to avoid the occurrence of liquor tragedies again and again. The Government of India should seek a detailed report from the Kerala Government on this

liquor tragedy. I also request the Government of India to give some financial assistance from the Prime Minister's Relief Fund to the affected persons. Thank you.

[Translation]

SHRI NIHAL CHAND CHAUHAN (Sri Ganganagar) : Mr. Deputy Speaker, Sir, I am grateful to you for providing me an opportunity to raise the issue of millions of farmers. The farmers of Haryana, Rajasthan, Punjab and other parts of country are not getting reasonable price for their cotton crops. The condition of lakhs of farmers queuing in the market has become pitiable. The price of cotton is Rs. 1100 per quintal. The per acre cotton yield is 4.95 quintal while Rs. 5000 are spent on fertilizers, seeds and pesticides on one acre-crop. It means that the farmers are selling cotton at throw away prices. The farmers sell their product at a very cheap rate in the market but once it is purchased by the traders and stored in the godowns, the price becomes just double, just as the wheat was sold by the farmers in April at the rate of Rs. 400 per quintal and now, it is being sold at the rate of Rs. 900 per quintal. It is nothing but exploitation of farmers and labourers.

Sir, our hon. Prime Minister get it advertised through big banners, radio and doordarshan that he is a farmer's son but the farmers are being exploited at present in such a way. One can well imagine through it, what will be happening in the remaining parts of the country. In the end, I earnestly request the Government to raise the cotton price immediately to the tune of Rs. 2500 per quintal and take steps to purchase it from the farmers otherwise the anger of the farmers may take a serious turn for which the Government will be held responsible.

Sir, it was published in yesterday's and day before yesterday's daily 'Punjab Kesri' as to what were the rates of cotton and wheat and how the farmers are being exploited.

SHRI RAMENDRA KUMAR (Begu Sarai) : Mr. Deputy Speaker, Sir, I want to draw the attention of the Government to South Karnapur Coal field of Bihar. South Karnapura coal field is located in Bihar in which there are three collieries, Argadda, Barkakana and Syao under Central coal field; South Karnapura coal field has 435 million metric tonnes of high grade i.e. A,B and C grade coal and 448 million metric tonnes of low grade coal. In lack on advance techniques of mining the coal during the years 1994-95 and 1995-96, it suffered a loss of Rs. 135 crore and Rs. 122 crore respectively. 24000 workers are employed in this coal field. The coal fields of Bihar are thicksin and there is no technique in our country for thicksin mining. Therefore, some experts from other countries were called for thicksin mining but they also failed in their job.

Sir, the need of the hour is to develop this coal field and to bring the lossmaking coalfields out of red and to ensure that 24000 workers are not rendered jobless.

Therefore an advertisement should be released on large scale. Previously, Bharat Coaking Coal Limited had to face the same problem. A new technology in the form of open cast mining has been developed there. I would like to urge upon the Government, specially the hon. Minister of coal to hold talks with the Ministry of Coal and trade union on the problem of South Karnapura coal field of Coal Industry and find out any solution.

SHRI MANOJ KUMAR SINHA (Ghazipur) : Mr. Deputy Speaker, Sir, I would like to draw the attention of the Government, through you, to the issue mentioned by Shri Brij Bhushan Tiwari that the entire eastern Uttar Pradesh is reeling under serious shortage of D.A.P. chemical fertilizer at present. Due to blackmarketing prevalent in that area, there is unavailability of di-amonia phosphate in all the Government godowns of Uttar Pradesh. The sowing of Rabi is at its peak in the state. I, through you, request the Government to make immediate arrangements in this regard. The local authorities have told that due to shortage of rail-wagons, D.A.P. chemical fertilizer is not being obtained. I would also like to request the hon. Minister of Railways, present in the House, to instruct the Railway authorities in this regard. Keeping in view the peak season of rabi season's sowing, immediate arrangements should be made for availability of Railway wagons so that availability of Railway wagons so that availability of D.A.P. fertilizer can be ensured.

SHRI RAMESH CHENNITHALA (Kottayam) : Mr. Deputy Speaker, Sir, since the leader of the House the hon. Minister of Railways is present in the House, I want to deliver my speech in Hindi. I want to say something on problem of Kerala.

MR. DEPUTY SPEAKER : But the speech should not be long.

SHRI RAMESH CHENNITHALA : I am speaking in Hindi.

MR. DEPUTY SPEAKER : Alright, it should not be long in Hindi also.

SHRI RAMESH CHENNITHALA : Sir, the hon. Minister of Railways had called a meeting of the hon. Members hailing from Kerala in which he had given assurance to us but no effort has been made so far to fulfil those assurances. There are 17 Railway Zones in the Country. 6 new Zones have been set up. We had demanded one for Kerala and were optimistic that he would accept it but he overlooked Kerala. In this regard all the Members hailing from Kerala have given a memorandum to the hon. Minister of Railways. We have to go to Madras for every work related to railway. Previously he had given assurance to set up Chief Engineer's office at Kochin but it could not be implemented. A notification was also issued in this regard but that too was cancelled. All the programmes pertaining to Railway are being implemented in Kerala with a snail's speed. The fund is allocated in every

budget for Kerala but that is not present there. They always look towards Madras and Tamil Nadu. The officers looking after the gauge conversion or doubling work be they from Madras or Bangalore, do not pay attention to our problems. Nobody works for early implementation of the said assurances. We had demanded for westcoast Railway zone in Kerala. The hon. Minister should pay attention to it.

At present, a new Railway zone has been opened in almost every State but Kerala has been singled out. If the development activities of Kerala have to be run properly, one Railway zone should be opened in Kerala. I, through you, demand the hon. Minister of the Railways to consider our demands and fulfil the promise made to us...*(Interruptions)*

Mr. Deputy Speaker, Sir, the hon. Minister of Railways is prepared to speak; please give him a chance...*(Interruptions)*

MR. DEPUTY SPEAKER : I am not preventing anyone from speaking.

(Interruptions)

MR. DEPUTY SPEAKER : Please sit down...

(Interruptions)

SHRI RAMESH CHENNITHALA : Mr. Deputy Speaker, Sir, he will speak only after you allow him to speak...*(Interruptions)*

[English]

MR. DEPUTY-SPEAKER : Why do you not sit down? Sit down, please. Allow him to speak.

(Interruptions)

SHRI P.C. CHACKO (Mukundapuram) : He wants to speak...*(Interruptions)*

SHRI P.C. THOMAS (Muvattupuzha) : Sir, One Chief Engineer's Office in Ernakulam was sanctioned in 1991. But it has not been started yet. The proposal has not been implemented. It should be implemented ...*(Interruptions)*

[Translation]

MR. DEPUTY SPEAKER : He has agreed with you...*(Interruptions)*

SHRI RAM VILAS PASWAN : Mr. Deputy Speaker, Sir, first of all I thank him for speaking so good Hindi. So far as the question of zone is concerned, the hon'ble member knows that nine zones were already there, six zones were set up after 33 years. Therefore, it is not possible to set up zone.

You have spoken about the office of the Chief Engineer. Yesterday, you have given it in writing also. We are looking into it. Secondly, supplementary budget of railways is going to be introduced soon. You have spoken about short-route and doubling of railway track, which is your general issue. We have already accepted

that. So far as your charge of slow-work is concerned, I assure you that it will not be slow at any rate. In case of doubling of track, I would like to say that the Railways are also interested in this work as you are because it is a matter of profit for the Railways itself. Therefore, the question of neglecting the South or Kerala does not arise. The Railways budget is going to be introduced soon. In that budget we shall discuss all aspects in details and reply to each and every point.

[English]

SHRI N.K. PREMACHANDRAN (Quilon) : Respected Deputy-Speaker, Sir, I am thankful to you for having given me an opportunity to raise a matter of urgent public importance regarding the cashew workers in Kerala. Out of the total 4,26,000 workers covered under the ESI Scheme in Kerala, 1,25,000 belong to the cashew sector. The cashew industry is now facing a severe crisis due to multifarious reason. First, it is because of the lack of raw cashewnuts and also the steadily increasing price of raw cashewnuts. Due to this reason, the number of working days is declining from year to year. In order to meet the situation, in the year 1989, a Special Scheme has been enacted which is named as the ESI Cashew Workers Scheme. Under this Scheme, disregard of the attendance of the workers, the ESI benefit has been given to these workers. But it is quite surprising to note that the ESI Corporation in its meeting held on 5.10.1996 has arbitrarily decided to stop, to discontinue the ESI Special Scheme. About 35,000 to 40,000 cashew workers are benefited by this Scheme. The ESI Corporation has decided to discontinue the Scheme with effect from 30.10.1996.

So, I urge upon the Minister of Labour to reconsider this decision, review this decision and revive the Scheme at the earliest. Also, I would like to submit and I would like to draw the attention of the Labour Minister to the fact that 95 per cent of the cashew workers are women. The women workers also belong to Scheduled Caste and Scheduled Tribe communities. Considering the special circumstance and the nature of work which they are doing, they are subjected to so many diseases. Further, the number of working days is very less due to a number of reasons which are beyond the control of the workers. They were getting the benefit and also they are living below the povertyline. But they are now denied the right of the benefit of the ESI Scheme.

So, I urge upon the Government and the Minister of Labour to consider it as a special case. Disregard of the attendance in which they are working, they should be given the benefit of the ESI Scheme. Considering the fact that they are coming under the poverty line, about 35,000 to 40,000 workers were benefited by this Scheme. So, I once again urge upon the Minister of Labour to reconsider the decision taken on 5.10.96 to discontinue the scheme from 30.9.1996.

[Translation]

SHRI RAVINDRA KUMAR PANDEY (Giridih) : Mr. Deputy Speaker, Sir, in our area there is an institution of coal India named C.C.L. (Central Coalfields Ltd.) where 12 people died while doing earth work just four days before Dipawali. Crores of Rupees of Coal India Ltd. is being spent in the name of C.I.C.F. Coincidentally during that period I was in my constituency and when we demanded compensation from the management the General Manager told that there is no such system. In their area if people do such work, they should have been stopped then and there. Such incidences occur several times in a year but not a single person has been given compensation whereas the Government of India has given aid of crores of rupees in the name of sinking of land in B.C.C.L.

I would like to urge, through you, that steps should be taken to avoid recurrence of such incidents and action be taken against the management found guilty.

SHRI HARADHAN ROY (Asansol) : Mr. Deputy Speaker, Sir, the production of Coal is increasing in the country but simultaneously accidents and deaths in the mines are also increasing. The reason is that the ministry of Coal, the ministry of Mines, Coals India Ltd. and B.C.C.L. do not obey security laws and rules-regulations etc. They even do not follow the recommendation of Court of Inquiry. Even they do not follow the recommendations of the bipartite consultative committee or Bipartite Standing Committee. They even do not follow the suggestions of these people. Due to these violations the reports and recommendations are not being implemented.

In the Mahavir Mines in Bengal 67 poor peoples their lives, in Kred in Bengal 55-56 people lost their lives, in Gehlot in Bihar 76 people last their lives in a single day. In spite of this, people are not paying attention to it and these incidents are taking place even now. I am giving you three-four examples in this regard. On 13.11.96 in Satgram Inclinen, due to lack of support a 35 ft. long, 20 ft. wide and 7 1/2 ft thick stone had fallen killing 4 persons. On 14th a person died in Dabar colliery. On 15th a person died in Sonpur Bazar and on 17th also another person died in Sonpur Bazar. Such incidents of death are increasing daily. I am giving details of such incident occurred during the period from 1990 to 1995. Details of fatal accidents took place. In C.I.L. from the year 1990 to 1995 are : 131 in 1990, 120 in 1991, 149 in 1992, 132 in 1993, 186 in 1994, 188 in 1995, the cases of serious injury were : 547 in 1990, 494 in 1991, 472 in 1992, 461 in 1993, 697 in 1994 and 531 in 1995, fatal accidents in S.C.C.L. were : 24 in 1990, 19 in 1991, 27 in 1992, 31 in 1993, 50 in 1994, 20 in 1995 and cases of serious injury were : 314 in 1990, 310 in 1991, 278 in 1992, 270 in 1993, 233 in 1994 and 191 in 1995.

Thus when people die, its court of enquiry is made under law and these people are not also serious about implementing the recommendations made by it.

13.00 hrs.

The Officer responsible for the death and injury to so many people is given promotion and is never punished. No one is concerned about the increasing number of accidents. My suggestion is that Hon'ble Speaker should appoint a committee to conduct an on-the-spot survey of these mines with a view to suggest measures to avoid recurrence of such incidents and to punish the officers found guilty.

SHRI RAM TAHAL CHOUDHARY (Ranchi) : Mr. Deputy Speaker, Sir, there is plant of HEC in my constituency. Ranchi where 15 thousand workers are employed and lakhs of people are earning their livelihood through this plant. Since 1991 there has been no pay revision in that plant as a result of which workers are agitating. There is a lot of resentment amount the employees against the Management. The situation is deteriorating day by day due to mismanagement. Many people have been suspended and cases have been filed in the court against many others. Pay scales of the employees in other such institutions have already been made in Ranchi except the employees of H.E.C.

Such a person is appointed Chairman who is due to retire after one or two years. Therefore, they resort to misappropriation of factory's funds for the period they serve there which is instrumental in ruining the industry. It is called the mother industry. It is causing loss both to workers as well as the factory. The workers of the industry are ready to work there if they get work orders. The old machines should be replaced by new machines which will help in increasing the production and solve the problem arising out day to day. My suggestion is that the person who has eight or ten years to serve, should be made Chairman so that he may execute his duties with responsibility and if he does not execute his duties properly, he should be removed from his post but steps should be taken to revive that industry by any way. This matter has been raised here again and again but attention is not being paid to it. Due to it, the situation is worsening. It is the question of livelihood of lakhs of people. All the officers and employees of the industry resorted to one day's token strike to attract the attention of the Government. Therefore, the Government should intervene into the matter immediately to solve the problem.

[English]

MR. DEPUTY-SPEAKER : Dr. B.N. Reddy.

You have to take up the second issue and not the first one. The first issue has already been raised yesterday.

DR. B.N. REDDY (Miryalguda) : Yes, Sir.

Mr. Deputy-Speaker, Sir, this is regarding Srisailem Left Bank Canal which will irrigate about three lakh of acres in Nalgonda district. About three hundred to four hundred people from the district came here in Delhi and sat on *dharna* to protest against the indifferent attitude of the Government in completion of this Project. Both the SLBC and Telugu Ganga Projects were actually taken up during 1985.

Sir, of course, we are very happy that we are able to complete the Telugu Ganga Project in 10 years time and we are able to get some waters. But still the situation is not a happy one because of the heavy rains and floods.

But at the same time the SLBC Project was also taken up. Ten years are already over but so far nothing has been done in regard to completion of this Project. People are facing a lot of difficulties in getting the drinking water, as the water available at present contains fluoride. Due to that, several hundred people including Lambadas came from Nalgonda district and they have staged a *dharna* here in the streets of Delhi. This project would definitely help the people of Nalgonda and Miryalguda districts. There are two districts in my constituency - Nalgonda and Miryalguda - and people from these districts will be definitely benefited in respect of drinking water as well as water for irrigation purposes. Hence, this project should be taken up immediately as the successive Governments had not done it for the last ten years.

During the last Parliament, 480 people filed their nominations including several agricultural labourers, *Lambada* ladies and gentlemen only to show their protest that this project is not being taken up seriously either by the State Government or by the Central Government. So, I request the Government, through you, to take up this cause immediately and do their best.

[Translation]

SHRI R.L.P. VERMA (Kodarma) : Mr. Deputy Speaker, Sir, Dugdha Coalwashery plant No.1 of BCCL under Coal India Limited was closed on October, 26. Neither the Trade Unions nor the authorities were made aware of rhyme and reason for the closure but the authorities of BCCL came and ordered to close down the plant No.1 all of a sudden. It is the only one Coalwashery for Bokaro Steel Plant and is very useful for it but the authorities, on the pretext of heavy contents of ash, closed it so that the decks can be cleared for import of washed coal. About 2000 workers were rendered jobless. The said coalwashery plant No.1 has the production capacity of 6000 tonnes per day and it had produced 5000 tonnes till 2 o'clock of the day when it was closed. If it has any defect or any flaw from security point of view then how it produced 5000 tonnes on that day? Secondly CITU, INTUC, BMS, HMS, and all other Unions had invited me to visit the factory and

I went there on November 13 and saw that the plant was fitted on strong iron pillars but the same was closed saying that that was useless. I do not know as to why the plant was closed on October 26 when the covering scheme of the revolving conveyer worth Rs. five crore was working from October 26 to November, 13. Therefore, some scam seems to be there behind it as it shows that it has been closed only to misappropriate the fund on the pretext of its modernisation. The steel plant will get a serious setback due to it. It is a corruption on large scale. Therefore, I demand the Government to conduct a high level C.B.I. enquiry in this regard because the officers of BCCL are there for a long time and the medium level officer reaches the rank of C.M.D. and they all resort to bungling. All the Top posts have been occupied by the corrupt officers who are likely to give a serious setback to Coal India Limited and cause a great loss to the Government of India. They have caused loss to the tune of Rs.56 crore, only on that belt. Therefore, I appeal the Government to get the case enquired by the CBI. Employees of the Plant are not guilty. The office bearers told that there was no defect in the plant and no question of security arises. Therefore, it should be reopened. It is nothing but a well thought conspiracy to render the workers jobless and obtain commission on the import of coal. Likewise, Rs.9 crore expected to be incurred on Damodar River and Railway Diversion (Dr. R.D. Project) scheme under Coal India. A plan was prepared for it but even after 16 years, the plan is still incomplete though Rs. 49 crore have been spent. I want the Government to get this case also enquired so that this country may be protected and steel plant may be run properly.

With these words I, through you, demand the Government by attracting its attention, to get this case enquired immediately. Shri Ram Vilas Paswan who is present in the House, should get this case enquired seriously.

SHRI SHATRUGHAN PRASAD SINGH (Balia) (Bihar) : Mr. Deputy Speaker, Sir, the entire country is facing the shortage of chemical fertiliser. Two fertiliser plants of Bihar namely—Barauni and Sindry are in a dilapidated condition for a long time. The previous Government had sanctioned Rs.126 crore for the revival of these plants but the present Government has not taken any step in this regard. Not only Uttar Pradesh and Bihar but the whole country is facing the crisis of fertiliser. The Government is importing the fertiliser on higher prices but it is not reviving the domestic plants like Barauni, Sindri and Durgapur. For the revival of Barauni plant, a committee of experts was constituted which presented its recommendations. The said recommendations were reviewed but all the proposals in this regard are pending in the Ministry of Fertiliser, Department of Planning and the Ministry of Finance. The farmers are facing shortage of all types of fertilisers be it DAP, Sufala, Urea or Calcium. Barauni is facing shortage of fertilizers in spite of working of a fertilizer

plant there. There is also artificial shortage of fertiliser in Begu Sarai, Mujaffarpur, Khagaria and Vaishali districts and it is being black marketted. Therefore, I request you to ask the Central Government to make fertiliser available to farmers immediately and stop the black marketing of fertiliser and arrest the guilty persons. We are getting information that there is stock of fertiliser in my Parliamentary constituency but the Private companies are purchasing it at higher prices and are provoking black marketing. The Government should, therefore, make available fertiliser in Bihar specially Viaishali, Begu Sarai and Khagaria districts.

SHRI JAI PRAKASH AGARWAL (Chandni Chowk-Delhi) : Mr. Deputy Sepaker, Sir, the Ministry of Railway spends crores of rupees on the maintenance of rails and trains but the condition of Railway colonies is worse. There are 9-10 Railway colonies in my Parliament Constituency where residents are crying for water, there is no proper electric supply and the roads are damaged. The flats of the colonies are in dilapidated condition. Even After meeting with Railway officers, no money is spent on developmental works of the colonies. The hon. Minister of Railway is present in the House. I had written a letter to him earlier and I gave him a slip today. I hope that he will take some steps for the Railway employees since he helps the workers and raises voice for their cause. If you visit those colonies, you will find yourself in a 100-200 year old colony. I invite you to accompany me on a surprise visit. 5-7 people died of dengue there. I hope that you will invest lump-sum amount for their welfare. These are your employees. They are working for you; hence it is your duty to improve the living conditions in their colonies and to provide facilities for them. I humbly request that if you are spending crores of rupees on Railways, employees.

SHRI VIJAY GOEL (Sadar-Delhi) : Mr. Deputy Speaker, Sir, I also wanted to raise a similar matter. There is a Railway station and Railway colony in my constituency, Sadar-Delhi. This area also lacks facilities. I have personally written to the Hon'ble Minister in this regard three or four times and every time my letter was stated to have been forwarded for necessary action. However, no action has been taken except sending the above mentioned replies. As on today, Delhi is in grip of Dengue epidemic. Garbage is piled up on both sides of the Rail track. This garbage is not supposed to be removed by the corporation or any other authority but by the Ministry of Railways. In my constituency, garbage has piled up on Railway land, yet no attention is being paid towards it. Apart from the Dengue threat, I had also written to you that the Railway Station falling under my constituency should be computerised and the single line should be converted into double line. The Government is requested to take action in this regard otherwise what are we going to say to the people. Prominent advertisements are given in newspapers. Advertisements costing lakh of rupees appear in

newspapers, however, no action is taken. Hence, request you to kindly pay attention to this aspect.

SHRI RAM VILAS PASWAN : Mr. Deputy Speaker Sir, I assure both the Hon'ble Members that I would personally visit both the colonies within a week and would take action against the officials found guilty ...*(Interruptions)*

SHRI BRAJ MOHAN RAM (Palamu) : Mr. Deputy Speaker, Sir, the two districts of Palamu and Gadava fall under my constituency and both these districts are in grip of malaria...*(Interruptions)*.

MR. DEPUTY SPEAKER : Please be brief. Malaria and Dengue have already been discussed yesterday.

SHRI BRAJ MOHAN RAM : Sir, I did not get a chance to speak.

MR. DEPUTY SPEAKER : All right you may speak on the subject. I am allowing you.

SHRI BRAJ MOHAN RAM : Thank you. I have visited several villages recently and have observed that many people are dying daily of malaria. There are reports of death from every block but the Department of Health is unable to take any action. We met the Civil Surgeon of Palamu and asked him to make arrangements for medicines but he expressed his helplessness in this matter. The doctors say that they have not got any arrangement. Unless the arrangements are made by the top level authorities, they would not be able to offer any help.

Sir, I would like to request the Central Government to make proper arrangements through the Government of Bihar without further delay so that precious lives may be saved. We have also intimated the Palamu and Gadavi district authorities to take measures immediately to check this disease by sending medicines and machines for carrying out blood-tests ...*(Interruptions)*

MR. DEPUTY SPEAKER : I have called out the names of all the members on my list. A member gets an opportunity to speak out once a week. There is an objection on the same speaker being given another opportunity. Secondly the state subjects are also not being allowed any more.

(Interruptions)

MR. DEPUTY SPEAKER : All right, I will allow the four of you.

[English]

SHRI SHIVANAND H. KOUJALGI (Belgaum) : Sir, the TV centre at Gokak District, Belgaum in Karnataka had been constructed long back but as the posts or the staff are not sanctioned, the TV centre is not yet functioning. Hence, it is requested that necessary posts be sanctioned immediately and the TV centre at Gokak be opened immediately.

I also request you to kindly direct the hon. Minister for Information and Broadcasting to sanction the posts immediately and start the TV centre as early as possible.

[Translation]

SHRI RAJIV PRATAP RUDY (Chhapra) : Mr. Deputy Speaker, Sir, I would like to draw the attention of the Government specifically towards this matter. We have been a witness to worse conditions and terrorist activities in Punjab in the last ten years. We have also witnessed the rising terrorism in Jammu and Kashmir for the last ten years and the manner in which the focus of terrorists is shifting towards the states of Bihar and Uttar Pradesh which are adjacent to the border of Nepal, is alarming and I feel that the Government should pay attention towards it. Due to increase in the Activities of I.S.I. across the borders of Bihar adjoining Nepal a situation worse than Punjab and Jammu and Kashmir is likely to emerge in the coming three to five years. We have been receiving reports from the people living in that border area, especially from M.P.s hailing from that area, that foreign intruders are trying to increase terrorist activities in the whole country by entering through that area alongwith sophisticated weapons.

I urge upon the Government to keep a vigil over the areas of Uttar Pradesh and Bihar adjoining Nepal and the Govt. of Bihar may, especially be directed to keep a close watch on the activities of these people. I also urge upon the Central Government to keep a vigil over their activities.

[English]

SHRI BADAL CHOUDHURY (Tripura West) : Sir, Tripura has been facing problems due to extremist activities with the resources at its command. The insurgent activities of the extremists have recently been stepped up. The extremists have also acquired and have been using sophisticated weapons, such as AK-47, AK-56 and LMGs. Some of the serious incidents include ambush and killing of two TSF personnel near Barkathal under Sidhai Police Station on November 6, 1996; kidnapping of five persons and subsequent recovery of their dead bodies on November 11, 1996 in Burburia under Birgang Police Station; attack on the vehicle of Forest Minister, Tripura on November 23, 1996, and ambush and killing of three CISF personnel at Bagbari under Jirania Police Station on November 25, 1996.

In the recent past few days, several incidents have taken place in the interior areas which indicate killing, injuring or kidnapping of non-tribals by the extremists. During the period of three weeks from November 6 1996, more than 20 persons have been kidnapped. This has led to localised ethnic tension and apprehension in the minds of general population. This prevailing situation cannot be ignored in view of the possibility of ethnic violence in different parts of the State, specially those having mixed population.

The Assam Rifles are well versed with the terrain of the State and have been handling the situation effectively. It may be pointed out that three Battalions of Assam Rifles have their permanent headquarters in the State of Tripura as follows: 22 Battalion with headquarters at Ambassa; 23 Battalion with headquarters at Udaiped; and 26 Battalion with headquarters at Agartala.

It is understood that these forces are now posted at Manipur, Jammu and Kashmir and Nagaland, respectively. Therefore, these three Battalions of Assam Rifles having their permanent headquarters in Tripura but deployed elsewhere should be restored immediately in the State.

Sixty companies of CRPF had been deployed in the State. On the eve of election in Uttar Pradesh, 15 companies had been withdrawn. Of them, 10 companies are yet to be returned to the State. This has created a gap in the security cover in the State which has resulted in the recent spate of extremist violence in the State. Hence, 10 companies of CRPF should be returned to the State immediately.

There are only seven BSF Battalion in Tripura against the sanctioned strength of 11 Battalions which is most inadequate for the long border area of Tripura. So, there should be immediate restoration of the authorised strength of BSF on Tripura-Bangladesh border and setting up of more BOPs at identified stretches of the border which are frequently used by extremists to sneak into Bangladesh.

So, my humble request to the Government of India is about the urgent need for redeployment of three Battalions of BSF, three Battalions of Assam Rifles and ten companies of CRPF - withdrawn for Assembly Election in Uttar Pradesh and to maintain the law and order situation in Manipur, Nagaland and Jammu and Kashmir.

[Translation]

DR. M.P. JAISWAL (Bettiah) : Mr. Deputy Speaker, Sir, the entry of vehicles having Indian registration number into Veerganj city of Nepal located along the Indo-Nepal border has been restricted after a new traffic rule enacted by the Nepal Government. As per this rule, the Indian vehicles would be required to get a temporary Nepali registration number to enter the Nepal. Indian vehicles without Nepali registration number be seized and strict action would be taken against them. Nepali custom officers used to collect tax from Indian Vehicles in an arbitrary manner before entering Nepal, due to which Indian vehicles had to face difficulty in entering Nepal. The entry of Indian vehicles has almost been restricted by enacting this new traffic rule.

It was decided in the Indo-Nepal Friendship Treaty that the citizens of both the countries would be able to run their vehicles freely within the radius of 3 kilometers

from the railway stations, Bus stands, airports and hospitals located in the cities near the border. There will be no restriction on the entry of vehicles in the prescribed areas. Besides this, no tax will be levied on them. Under this Friendship Treaty, hundreds of Nepali vehicles run every day in Raksol and other cities of India without paying any tax but Nepali officials have been charging tax from Indian vehicles dauntlessly after filling up form, in the name of entering Nepal. More than two hundred rupees are charged from Indian vehicles in the name of entry tax by the Nepali officials in Veerganj city which is only one and a half kilometer away from Raksol (India).

I therefore, urge upon the Government to ask the Government of Nepal to abide by the provisions of the Friendship Treaty.

SHRI P.R. DASMUNSI (Howrah) : Mr. Deputy-Speaker, Sir, with your permission, I would like to raise a very important matter. Since two Cabinet colleagues of our hon. Prime Minister are here and also the leader of the House Shri Ram Vilas Paswan is present, I am drawing the attention of both the Ministers.

Mr. Deputy-Speaker, Sir, all the Union Ministers took oath from the President of India and after they took oath, respective Ministries/Departments on behalf of the people of India and they would also be accountable to the Parliament. There is a House of the People here.

Now, the Ministry of Water Resources, which is a key Ministry, is headed by, I understand, Shri Janeshwar Mishra who has to negotiate matters of river water disputes within the country and also matters of river water disputes with other countries. With all due respect to the hon. Minister, I would like to submit that I read in the newspapers that the Chief Minister of West Bengal, Shri Jyoti Basu is negotiating the matter of water dispute of Farakka with the Government of Bangladesh.

I would like to know: In what capacity is he representing the Government of India? Why was the Parliament not taken into confidence? I would like to know whether this is an official delegation that is being headed by Shri Jyoti Basu and has been approved by the Union Cabinet. If so, I would like to know: Why was the Minister of Water Resources kept away from the scene?

Sir, this matter cannot be treated lightly. It is not a matter between West Bengal and Bangladesh. West Bengal is very much a part and parcel of India. We represent India as a whole, as a nation. A matter like this, a matter which involves two nations, cannot be dealt without the presence of a Union Minister who is supposed to represent the President of India. It is a very important matter. The Leader of the House who is a senior Cabinet colleague of the Prime Minister must take the House into confidence and come out with an appropriate reply on this issue. The Prime Minister must also take the House into confidence and say as to what

has happened in the matter. This has never happened in this country in the past. It is an international matter. I wonder how it is being conducted. There is no constitutional propriety of Shri Jyoti Basu to represent the Union Government and negotiate the matter of Farakka river water dispute with Bangladesh. This is what I wanted to raise. I hope the Government would give an appropriate reply to this...*(Interruptions)*

MR. DEPUTY-SPEAKER : Let me say a few words.

SHRI P.C. CHACKO : Sir, it is on record now that this is a matter of constitutional propriety and not a matter of politics. So, I would like to request you to take this as a serious matter. This would have implications tomorrow also for various parties in various States. Our Constitution being as it is, I would like to know, if this trespass is silently being allowed by the Central Government how it is going to end up tomorrow...*(Interruptions)*

MR. DEPUTY-SPEAKER : No debate on this please.

SHRI A.C. JOS (Idukki) : Sir two Cabinet Ministers are present here and they should react to this...*(Interruptions)*

SHRI P.C. CHACKO : Sir, these are not powers which could be used by anybody...*(Interruptions)*

MR. DEPUTY-SPEAKER : Now, please sit down. Let me say a few words.

Mr. Minister, what Shri Dasmunsi has said is correct. It is a serious matter. Please take note of it. The House should be informed as to the exact position.

SHRI P.R. DASMUNSI : Can Shri Farooq Abdullah negotiate with Pakistan about Kashmir issue?

13.29 hrs.

INCOME-TAX (AMENDMENT) BILL

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, I beg to move for leave to introduce a Bill further to amend the Income-Tax Act, 1961.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Income-Tax Act, 1961."

The motion was adopted.

SHRI P. CHIDAMBARAM : Sir, I introduce the Bill.**

* Published in the Gazette of India, Extra-ordinary, Part-II, Section-2 dated 29.11.96.

** Introduced with the recommendation of the President.

13.29½ hrs.

EXPLANATORY STATEMENT RE: ORDINANCE

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, I beg to lay on the Table on explanatory statement (Hindi and English versions) showing reasons for immediate legislation by the Income-Tax (Amendment) Ordinance, 1996.

[Placed in Library. See No. LT. -674/96]

MR. DEPUTY-SPEAKER : Now, the House stands adjourned till 2.30 PM.

13.30 hrs.

The Lok Sabha then adjourned for Lunch till Thirty Minutes past Fourteen of the Clock.

14.40 hrs.

The Lok Sabha re-assembled after Lunch at Forty minutes past Fourteen of the Clock.

(Mr. Deputy-Speaker in the Chair)

DISCUSSION UNDER RULE 193

[English]

Drought Situation in Orissa

SHRI SONTOSH MOHAN DEV (Silchar) : Sir, some more Members want to speak on the issue of drought in Orissa. I think, the Treasury Benches have no objection for it.

THE MINISTER OF RAILWAYS (SHRI RAM VILAS PASWAN) : No problem.

[Translation]

MR. DEPUTY SPEAKER : It is alright. Whoelse would like to speak?

[English]

SHRI SONTOSH MOHAN DEV : Shri Nitish Kumar will speak and then I will follow him.

[Translation]

MR. DEPUTY SPEAKER : But you conclude within five minutes.

SHRI NITISH KUMAR (Barh) : Mr. Deputy-Speaker, Sir, discussion is going on on the famine like situation which has been created in Orissa due to drought. It is not a matter of Orissa alone but it is the matter of the entire country. Some districts of Orissa come under the grip of drought frequently but this time, a famine like

situation has been created in the vast area of Orissa. While discussing the matter, Members hailing from Orissa have informed this House that out of 30, 26 districts are drought affected there. They have further told that half of the total population of Orissa is badly affected by drought due to which famine like situation has been created in 8 districts. You can imagine the situation prevailing there.

While replying to a question, the hon'ble Minister of agriculture has told this House that today, water crisis had been created there and water is not available to take a bath. He has said that the problem of water will become so serious by January that it will be very difficult to get water even for drinking. When the situation is likely to worsen to such an extent, the question arises that what steps are being taken by the Centre Government in this regard? Everyone knows what the State Government can do and what it would actually do. The State Government keeps on complaining about the lack of funds. The eastern region of the country, which includes Bihar, Orissa and some parts of Bengal, is very backward. There is a lack of resources as well as of funds however there are vast reserves of mineral deposits in area. This region enriches the country with its ample wealth however it does not have sufficient food for its own people.

How much money does the Government have to face this situation? I do not want initiate any discussion about the working of the State Government because we will have to rise above the political differences to find a solution to the problem that has arisen there. We should think about the ways and means to counter it. However if the State Government is not doing anything it would definitely be discussed in the House.

What is the State Government doing there? Our colleagues from Orissa have told us that the tax or cess on lift irrigation is being revised. We have been informed that it is being revised from Rs.320 per hectare to Rs.620 per hectare. On one hand, people are dying to shortage of water and on the other, revenue is being increased which the people would not be able to afford. Earlier the farmers had to give cess at the rate of Rs.320 per hectare for irrigation and now they will have to give cess @ Rs.620 per hectare. I am not being able to comprehend the way the Government is functioning there. What is the viewpoint of the Government? In face of such a serious famine, the Panchayat elections are being held there. We are also in favour of Panchayati Raj system and want that power should be decentralised. We also want the Panchayati Raj institutions to be handed over to the elected representatives of the people. The idea in itself is very commendable indeed but why are the Panchayat elections being held at the time when the State is facing the famine? Were they as concerned about holding the elections at such a time? If the Panchayat elections are held, how will we be able to counter the famine because the entire Government

machinery would get busy in making arrangements for elections. The attention of all the political parties and institutions would be diverted towards the elections.

The need of the hour is to stop all other activities in Orissa and proceed with a single point programme to overcome the problem of famine. Just now the Government has stated that not a single person would die to starvation there. The Prime Minister would reply to the debate. But a mere announcement that not a single person would die of starvation would not help. What is the State Government doing there? First of all, Employment Assurance scheme and 'Food for work' programmes should be launched in every Panchayat jurisdiction, every block and every village so that people get food for work. When the Janata Party was in power in 1977, 'Food for work' programme was launched. Various State Government also implemented 'Food for work' Programme. This programme was implemented on a large scale under our regime however this programme was not implemented properly under your regime and your Government is responsible for this...*(Interruptions)*

SHRI P.R. DASMUNSI (Howrah) : Mr. Deputy Speaker, Sir, this is incorrect. The largest programme under Shrimati Indira Gandhi's regime was the 'Anti-poverty' programme. We should not forget historical facts and present a correct picture.

SHRI NITISH KUMAR : Now you are bringing politics into it...*(Interruptions)*

MR. DEPUTY SPEAKER : Please do not intervene. Nobody else's voice except that of Shri Nitish Kumar Ji should fall in my ears.

SHRI NITISH KUMAR : Mr. Deputy Speaker, Sir, 'Food for work' Programme was implemented at large scale in 1977. It should be implemented once again and every person should be given the opportunity to work. This would help develop the rural area. Comparatively less allocations in made for areas like Orissa and Bihar but if work opportunities would be available on a large scale, people would get food. Free ration should be provided to those who are not able to work, who are old, handicapped or infirm. I am not aware of the arrangements made in Orissa but in Bihar, such people are given a red card which means that they can get the required ration from Panchayat or block. We have a red card system there.

SHRI P.R. DASMUNSI : Red Card or the 'Laloo Card'?

SHRI NITISH KUMAR : Laloo Card is not going to last longer but the red card would last for ever. My submission is that some such arrangements should be made there also so that no one dies of starvation. Pension Scheme should be introduced for the old and the handicapped. The Government made an announcement that those above the age of 65 years

would be given pension, however, the pension is not being given regularly. Even a pension of Rs.100 per month is not being given in our State.

14.50 hrs.

(Mr. Speaker in the Chair)

When an announcement was made that a pension of Rs.100 per month would be given to the old by the Central Government, only then people could get Rs.75. I am not aware of the position in Orissa. The Central Government should implement old age Pension scheme in Orissa also. The age limit fixed therein should be reduced to 60 years. If the situation is handled thus, no one would die of starvation. However this is possible only when such work is taken up on a war footing.

Mr. Speaker, Sir, a demand has been made that rig machines would be required to make arrangement for drinking water. It appears from the reply given by the Government that only 26 rig machines would be available with the State Government. A member from Orissa has said that hundreds of machines would be required when this work is taken up there. Keeping in view the geographical conditions of Orissa, it would be difficult to draw water so long as a particular number of machines are not made available to the State because water is available very deep and it is a hilly region. There are rocks underneath the ground. Hence a large number of rig machines would be required. We should not depend upon the machines available in the State of Orissa, rather we should make an arrangement to make available these machines from throughout the country. Some is the case with the areas adjoining Orissa. A situation of drought is arising in the adjacent State of Madhya Pradesh. Special arrangements should be made in the areas which are drought prone. So far as the availability of resources in the country is concerned and the way it happened in the case of damage caused in Andhra Pradesh by cyclone, I would like to say that the grant announced by the Central Government for the people of Andhra Pradesh and the claims of the Government have been true. I will not falsify the statement made by the Government in this regard. The Government has claimed that such a huge amount has not been provided as relief to any State ever before. It is true but is it sufficient? In view of the present position in Orissa, the grant given as Calamity Relief Fund can not help improve the situation. It should be declared a national calamity. If the situation of drought in Orissa and the Andhra Cyclonic storms are not declared natural calamities, what other tragedy would qualify to be declared to be a national calamity. There is no criterion for declaring a tragedy a national calamity.

[English]

MR. SPEAKER : Please conclude.

[Translation]

SHRI NITISH KUMAR : Kindly allow me to express my views. I am keen on speaking on this subject. The Prime Minister was expected to attend the House, however, he has not arrived so far. I myself wanted to put forth my views on this issue. Let the Prime Minister come... (Interruptions)

MR. SPEAKER : As the Prime Minister is not here, that is why the future Prime Minister is being involved.

SHRI NITISH KUMAR : Mr. Speaker, Sir, Shri Santosh Mohan Dev should express his views next. The issue is being discussed here. If the Prime Minister is going to take some more time reaching here, it is regrettable indeed. The Prime Minister should have sat here to listen to the debate. That the Prime Minister will come here and give a reply is a separate matter altogether. I was on the point that there is no criteria for declaring a tragedy a national calamity. If there is no criterion, such a criterion should be determined. We should not get involved in technical aspects and instead should make arrangement to solve the problems and to help overcome the agony of people crying for help and the money should not be a restricting factor for the purpose.

Mr. Speaker, Sir, we request you that in view of the sentiments expressed by members of all the parties in the House, a message should be sent out to the citizens that they should come forward to offer help to people of Andhra Pradesh. A message should be given by the House that people should come forth in large numbers and extend help to their fellowmen in the drought prone areas of Orissa.

The provision made by the Government is not sufficient to meet the requirements of solving the problem of Orissa or Andhra Pradesh.

Lastly, I would like to stress on one point as to what is the reason of such kind of situation? I belong to Bihar. A part of Northern Bihar suffers from flood and same in the case with Southern Bihar and Central Bihar but there are some areas which suffer from drought. Why does such kind of situation occur? We have got plenty of water in our rivers and underground water. In spite of that what is the reason that such situation occurs? It is because there is no proper system of water management of our country. The water available in our rivers flow into the sea. All the rivers meet in the Ganga and all the water go to the Bay of Bengal. Rivers flowing from the Himalayas towards Nepal enter the sea after destroying and affecting the Northern Bihar. Today discussion is going on in this regard in this House. A question has been raised that the Chief Minister of West Bengal has been sent to discuss the matters relating to West Bengal. I don't know what hinders us to discuss such issues. I don't want to go in detail but if we have discussion with Nepal then it can be suggested that the water flows from Nepal can be utilised for generation of hydro power which will also help in checking floods in Bihar. That water can also be used

for irrigation purpose. It has been saying since long that there should be a permanent solution in this regard. Shri K.L. Rao has suggested to connect rivers under River Gardening Scheme. Water should be supplied to such areas where there is less water. Rivers disputes are pending among many states. The Government is not declaring any National policy on this by having National consent. The main thing is that huge amount is being spent on flood relief at present. Our plan economy has taken too much time. The Eighth Five Year Plan is going on and we are entering the Ninth Five Year Plan. I know huge amount has been spent on flood relief in my state. Since 1947 the amount spent on relief works was invested for the management of water to control the flood or drought then the situation would not have been like this. Of course this is not the Natural Calamity, it is the law of Nature that somewhere there is more water and somewhere else there is less water. We are responsible for scarcity of water. Today deforestation is going on which imbalances the environment. People who were very much dependent on monsoon are suffering most because of adverse affect on rainfall. In such a situation, the environment should be protected by way of afforestation and cutting of trees should be prohibited. The water should be properly managed. There should be a balance between the canal water and the underground water for fields. If only canal water is used then salinity is created in the soil and on the other hand if we continuously use underground water then a problem is created. The underground water level is decreasing. In such a situation unless we make some policy in regard to water management we cannot deal with the problem caused by flood or drought.

Every year during the monsoon session of Parliament we discuss the loss caused by flood. Sometimes drought situation is also discussed. Today we are holding special discussion on drought situation in Orissa. We should find out a permanent solution to deal with such a situation. We see the foreign companies are entering in collaboration in the field of automobiles and consumer goods like pen and thereby resulting the pen that was available for Rs. ten in the market, now available for Rs. fifty. But no interest is being paid in developing the areas of infrastructure. Today our leaders lack willpower. There is a need to strengthen our will power to solve the problems rising above all kind of narrow mindedness by taking firm initiative. We can get rid of these problems by such actions. Special Regional Development Programme should be prepared for areas specially like Kalahandi in Orissa which are prone to drought. Special Area Programme is prepared for the development of ravines or hilly areas. Likewise schemes are made for the development of drought effected areas but they are never implemented. More fund is need for this. In this regard we must urge that on the one hand the Government should take initiative for a permanent solution and on the other hand immediate requirements are required to be fulfilled. The Government should make maximum efforts to do the needful in this regard.

Lastly, I again urge that a National appeal should be made by the entire House that we all should come forward to solve this problem. Voluntary Organisations and rich people should also come forward to solve this natural calamity. No one should die of hunger or thirst.

15.00 hrs.

With this resolution we should conclude this discussion. It would be unjust if no such resolution is made and the discussion is based on arguments only. I, therefore, urge upon you to take special initiative in this regard. The time has come to strengthen us. All the institutions in the country are strengthening their working system. As such, you should also do something. You should give directions by virtue of being the Speaker of the House. You have ample powers so you must exercise your power.

With these words, I thank you for giving me a chance to speak.

[English]

SHRI SONTOSH MOHAN DEV : Hon. Speaker, Sir, at the very outset, I must thank you that in spite of the constraint of time, on an important issue like drought, you have given chance to all the participants to participate in the debate. The Government, on its part, has also taken up this issue as a very important national issue and in a few minutes' time, we shall be hearing the hon. Prime Minister giving their reaction as well as declaring their action on the situation prevailing in Orissa.

It is a fact that on drought or cyclone or flood, the Government has no control. It is nature that decides. But the earnestness of the Government is proved from what action the Government takes before these calamities occur, by way of giving a warning to the people or taking precautions so that people do not suffer much. In the case of drought, it has not happened overnight. The spell is spread over months. The water resources were going to be dried up, it was in the newspapers and was also raised by the Members of the Parliament also, both on the floor of the House and outside. Unfortunately, my friend Shri Nitish Kumar has said something. It is not a question of Congress or non-Congress Government; this issue is a human calamity and that has to be faced by both the Centre and the State jointly so that the miseries of the people can be removed. Yesterday, irrespective of the isms, when the Members belonging to different parties spoke, they urged upon the Government that they should take immediate and corrective steps to see that people who have migrated can go back to their respective original homes, that they have facilities for getting water and food, that there should not be any death, and for that reason, medical aid and also the irrigation facilities should be strengthened.

Somebody in the Lobby was telling that because Shri Chaturanan Mishra is a new Minister, he is telling many things which a very experienced Minister would not have said. Though his name is 'Chaturanan Mishra', he himself has compared what has happened in Orissa with something. At the same time, he said that unless we do something about it, Orissa will go back by ten or fifteen years. I appreciate that. As a human being, Shri Chaturanan Mishra is a very nice person. I always reckon him to be a very successful parliamentarian and he is also becoming to be a successful Minister. That is a good thing. But will he be able to do it? Will his thoughts be translated into reality, that will depend upon the cooperation that he gets from the Central Finance Ministry and from the State for utilising it in a proper manner. These are the two things. We come from an area where flood is an annual feature.

Once our Chief Minister went on a tour in the month of June. In a public meeting there was a memorandum stating that: 'In view of the fact that there is no flood we are not getting any gratuity or relief and it is feared that there shall be no flood and so kindly help us with some gratuity and relief, though there is no flood'. Annually, people go to the relief camps and get their ration from there. They used to budget their whole year like that. But it is a fact that the cyclone in the coastal area of Andhra Pradesh and drought in certain areas of Gujarat and Rajasthan and this side is becoming either an annual or biannual programmes. One of the hon. Members from the B.J.P. from Rajasthan, has very rightly said that Rajasthan today has proved that though it is a natural calamity, the drought-prone areas can be converted into areas where water is available and the miseries of the people need not be to the extent that are there.

When I was sent by the then Prime Minister, Shri Rajiv Gandhi, I visited Gujarat when there was a natural calamity. I had seen there how people had taken steps to overcome their miseries and also solved the problem of the animals. This is another thing. We should not see only about human population. The animals which are going and grazing will also get sick and die unless they get water.

Some figures have been given by the Government yesterday. On that, our speaker, Shri K.P. Singh Deo has also given some figures. Our former Prime Minister and the Leader of our Party has suggested certain things and he said that some of the measures were taken by the previous Government and he also admitted that they have not been implemented fully. But now, we have to see that there is a concerted effort by all of us to see that the miseries that are faced by the people of Orissa today are solved in a manner that there are no further deaths and no further casualties, particularly mass scale deaths.

I do not know how far it is a fact. But I understand that the Minister said that he would send the

memorandum given by some people on starvation deaths to the Human Rights Commission. If it is a fact, I think, it is not very much justified to do so. It should be above politics. Considering the seriousness of the thing, I am sure that irrespective of any *ism* all political parties will rise to the occasions, they will join hands and the state and the Central Governments will work hand in hand be seized of the problem and solve the problem.

Today the Prime Minister is replying to this debate. The other day he has replied on Andhra Pradesh and I must say that he had been able to come down to the help of the people of Andhra Pradesh and the nation by solving the problem in a very good manner. He expect that he will do it today also when he replies to the debate...*(Interruptions)* Shri Dasmunsi, please do not disturb.

I am telling that I hope that when he replies today he will solve the problem. Though it is a Congress-ruled State, but as he always says: 'My service is not for Congress or non-Congress States but I serve the people; I am from the grassroot farmer's family', he will give a message so that all the Members from Orissa who participated in the debate, when they go home in the weekend, will go with some package from the hon. Prime Minister...*(Interruptions)* Shri Jena, what are you doing? You are a Minister. Are you facing a problem? You can also get some good package from the hon. Prime Minister.

I wish the hon. Prime Minister all the best and I wish him to speak well on this issue so that we can get some good benefit.

THE PRIME MINISTER (SHRI H.D. DEVE GOWDA): Hon. Speaker, Sir, since yesterday, several senior Members, the former Prime Minister and the former Chief Minister of Orissa have participated in the discussion on the drought situation in Orissa. Everybody's concern is that the drought situation should be tackled on a war footing and see that nobody should migrate from Orissa to some other State in search of jobs. This is one of the points suggested by the former Prime Minister who represents Orissa State as a Member of Parliament.

Sir, I visited on 14.11.96 three districts. I took the Chief Minister with me. In fact, I wanted to visit the drought prone area a little earlier. My colleague, Shri Srikant Jena had suggested to me to visit the affected areas, but at that time the Chief Minister was not in the State. He had gone outside on some other work. I do not want to say that he had gone unnecessarily. With a prior engagement to contact various global investors, he had chalked out his programme and told me before he left the country that after his arrival, I could visit the State. That is why I postponed my programme. Otherwise, I would have gone still earlier. The Central team had gone after I visited the area. The Minister of Agriculture also visited before my going there.

SHRI PINAKI MISHRA (Puri) : He visited the State afterwards.

SHRI H.D. DEVE GOWDA : I am sorry, he visited afterwards. I visited these districts. Sir, I do not want to cast aspersions on anybody. Money is not the issue. For the purpose of inadequate release of funds, employment opportunities have not been provided or the people searching for employment there are going out of the State, migrating from Orissa to other States for searching jobs. That is one of the points raised by the hon. former Prime Minister.

Sir, I would like to bring it to the notice of this august House that the total resources available to Orissa are about Rs. 461 crore, the amount released is Rs.225.54 crore and total expenditure uptill now is only Rs. 187.67 crore. Under Rural Development alone, after I visited, I declared that about Rs. 50 crore would be immediately released. I do not want to caste aspersions on the State Government, how the funds have been used or diverted to various other programmes.

I had a frank discussion with the Chief Minister. I asked him to tell me what exactly was the assistance they wanted from the Centre. Subsequently, they have submitted a memorandum. A copy of the memorandum is also with me. There demand is for about Rs. 585 crore. I will give the break-up.

Agriculture Department - Rs. 26.39 crore, Cooperation Department - Rs. 15.95 crore Fisheries Department - Rs. 2.97 crore. Department of Health and Family Welfare Rs.4.97 crore, Housing Department about Rs. 8.77 crore, Panchayati Raj Rs. 371 crore, Rural Development Department which includes drinking and rural works is about Rs. 51.32 crore, Department of Water Resources - Rs.87.23 crore which includes major, medium and minor irrigation as well as lift irrigation Department of Energy -Rs.10 crore, Emergency Feeding Programme - Rs.7.20 crore. All this comes to about Rs.585 crore.

Sir, as I have already mentioned, under Rural Development itself the Orissa State is entitled for about Rs. 461 crore. In the eight effected districts - earlier they were three and subsequently five new districts were formed which is called KBK Special Programme. During my aerial survey, I have come to an opinion that in almost all the three districts in the plain area there are minor irrigation tanks. I would like to share my experience with the hon. Members of this august House that in almost all the low lying areas, there are minor irrigation tanks. Everywhere we can see the green patches. When we were going in the car, I actually got down from the car and went to the paddy field with the Chief Minister and other officers. In the same areas where there is some moisture the formation of the grain is comparatively better than the area where moisture content is less. In most of the low lying areas, minor irrigation tanks were being constructed. Due to the shortage of water, with one watering or two watering

the formation of the grain has not been totally satisfactory. I would like to make this point that if only one wetting or two wetting could be made available, I think, almost all the paddy area can be saved. Sir, I asked the Chief Minister, can we not extract the ground water? Is there any ground water? Is the potential available? What is the opinion of the State Government? Have you conducted any survey? Sir, I was told by the Chief Minister, that barring one or two districts, if we put up tubewells, there is sufficient ground water and we can use that ground water at the time of shortage of rain or you can call it the drought or whatever the situation that may arise. If we take up tubewells on a massive scale, I think we can save money by not spending it on various unproductive works. Even today, if anybody goes on an aerial survey, he could see that crop is good. But when he goes to the field, he would see that it is not so.

The grains have not been formed because of shortage of one or two waterings. This is the real situation which I have observed. I told the Chief Minister: "You appoint an expert, who is a know geologist, and conduct a survey. The Central Government is prepared to provide any amount of money for the tubewells because drought problem is there in these eight districts, earlier, there were three districts, every year." I think, when Shri Chandra Shekhar was the Prime Minister, he also went there. At that time also, there were reports of several deaths. There were so many types of reports and the situation was grave. Shri Chandra Shekhar also made a visit at that time. The Kalahandi issue was also discussed in Parliament.

I would like to draw the attention of the House to the fact that we may spend any amount of money on relief measures, but I would say that it is only a temporary measure. Instead of that, if we take up some permanent measures, we can definitely avoid this type of misery to the local people. I do not want to cast any aspersion because our former Prime Minister has come just now.

The Chief Minister was present with me. I myself asked one or two aged ladies whether they were getting any old age pension. Since I do not know the Oriya language, I asked the officers to translate to me what the old lady was saying. She said that she did not get any old age pension. I asked the District Collector what he was doing. He called for the Sarpanch, but the Sarpanch was not traceable. I do not want to narrate anything because one of our Members, who is sitting here, was there on the spot. The Sarpanch was not available and the District Collector was a little bit shaky to give a correct answer. I told him that whatever happened had happened, that he must select the poorest of the poor when he was going to give such benefits like old age pension or subsidised foodgrains or whatever it is. That was the instruction which I gave to him. He told me that as per the quota fixed for Orissa, whatever may be the ceiling, about 248,000 people

have been selected for giving old age pension and if that number is relaxed, that he can extend the benefit to the remaining people. That is how he made the presentation before me. I took the decision to give the relaxation and to provide this benefit to five thousand more people in so far as these seven or eight districts in Orissa were concerned. So, the old people who did not get any old age pension should be identified and this benefit should be extended to them. This was the instruction given to them. On that day, in the presence of the Chief Minister, I declared that we were going to give additional funds to the tune of Rs.50 crore.

I do not want to take much time of this august House. I will only mention about the monies that are available under each category. Under the JRY, the money available is Rs. 162.67 crore; under IAY, it is Rs. 58.20 crore; under MWS, it is Rs. 16.02 crore; under the Employment Assistance Scheme, it is Rs. 111.45 crore; under IRDP, it is 30.21 crore; under DWCRA, it is Rs. 1.28 crore, and under Tool Kits, it is Rs. 1.17 crore. When the money is available and if the people are going out in search of jobs, then it means that these monies are being spent in some other areas. The State Government may be having a problem, but they have not given a clear picture.

The money might have been diverted to various other purposes. Anyway, I do not want to take that excuse now and see that the people suffer. The Government of India is prepared to release funds in order to provide any amount of work. I will give you this much of assurance to all the hon. Members of this House who represent Orissa. I am prepared to provide any amount of money that is required to provide employment and the necessary drinking water to those villages. They are saying that about 26,000 villages are suffering from drought. That is one of the reports of the State Government. I am prepared to provide the money for drinking water, to provide sufficient employment and whether it is a grant, whether it is going to be adjusted in future out of the Plan allocation is not the issue now to be discussed. Let us, as our former Prime Minister has said, tackle it on a water footing. Yes, we are ready. What is the quantum of the share of the Centre and the share of the State? All these things can be discussed later. I am going to give a categorical assurance that we are prepared to provide the necessary funds. There is no need for anybody to go out of the States in search of employment. Whatever may be the amount of employment that is required by the State, let them take up the works and we are prepared to provide the necessary funds. This is all what I would like to say.

I have released about Rs. 37 crore as Calamity Relief Fund. Earlier, under Rural Development, what was the money that was available, what was released and what was not spent, is a different matter which I have just mentioned for the benefit of this august House.

For irrigation, the money that has been provided this year is Rs.800 crores. Out of that, we have released

Rs.46.05 crore to Orissa. The Chief Minister, in his memorandum, has requested for about Rs.87.23 crore. For Orissa, it comes to about Rs.46.5 crore. He can fully utilise that money. There is no problem. That is a separate amount. It does not come under Calamity Relief Fund. It is from the General Budget. What we have provided is Rs.800 crore for major and medium irrigation projects and Rs.100 crore. Out of that, we have released Rs. 46.5 crores as a share to Orissa State.

The other thing is basic minimum service which does not also come under the category of Calamity Relief Fund. He have provided about Rs.2,480 crore. Out of that, Orissa will get Rs. 79.26 crore. We are prepared to release all that money. Let them spend. Under basic minimum services, drinking water, rural roads and all these things, we are prepared to release Rs.2,480 crores as its quota and as its share. Orissa will get about Rs.79 crore additional amount. That also I am prepared to release the full amount. Let it be used for the purpose of generating the necessary employment to those people who are searching for jobs and for employment. But there is no need to go for migration to any other neighbouring States.

We have increased even the foodgrains quota which is fixed at 45,000 MT to 75,000 MT now. So, the question of shortage of funds to tackle this problem will not arise. I am not prepared to say anything right now whether it is Rs.600 crore or Rs 500 crore or whether it is 100 per cent Central Government grant. Let us discuss this issue and the guidelines and the norms that we have fixed to tackle this drought and the flood damages and how the fund should be shared among the States and the Centre.

All these guidelines are there. But I cannot give you an assurance exclusively for Orissa that all the money that is going to be given is fully a grant. I cannot say that now. Under Irrigation, all the money that is going to be released - Rs. 92.10 crore - is a grant. About Basic Minimum Service, the sum of Rs.79.26 crore is fully a grant. The money that has been released under the Calamity Relief Fund - Rs.37 crore - is fully a grant. So, what I mean to say is that apart from the money that is available under various categories of rural development, more than Rs.100 or 160 crore, the money that has been given now under irrigation, under Basic Minimum Service and the Calamity Relief Fund - all this money is available right now. The State Government should come up to the expectation of the people and see that necessary action is taken either to provide drinking water or to provide the employment opportunities to the rural masses who are suffering.

In addition to that, almost all those blocks which have not been provided with Employment Assurance Schemes have been taken up and for each block, we are going to release Rs.20 lakh under Employment Assurance Scheme. The Notification has already been issued for those districts. He has said about 26 districts apart from eight districts. Out of 30 districts, 26 districts

this time have received scanty rainfall. This is what the Chief Minister told me. Almost all the blocks which have not been covered under the Employment Guarantee Scheme have been covered and the G.O. has been issued. We have also instructed to release Rs.20 lakh per block under the Employment Guarantee Scheme.

SHRI PINAKI MISHRA : Will the hon. Prime Minister kindly clarify whether it is "almost all the the locks "or" all the blocks"? Those are 314 blocks.

SHRI H.D. DEVE GOWDA : All the remaining blocks. I will give the details. In fact, I do not want to read everything. The Employment Assurance Scheme should be extended to all the eight blocks in Bolangir and Sonapur districts which are not covered with this Scheme. Rupees 20 lakh per block will be released to each block for starting the work. For Orissa, as a whole, 40 more blocks will be added taking the total to 290 blocks during the year before 30th and the balance blocks, if any, which have not been covered under the famine-affected districts, we wanted to cover them. We wanted to cover almost all the blocks in the whole country by 1997-98 and those blocks which come under the affected districts will be covered this year itself.

SHRI PINAKI MISHRA : Sir, I will just take one minute.

MR. SPEAKER : We are already encroaching upon the time of the Private Members' Business.

SHRI PINAKI MISHRA : This is an important issue. The hon. Agriculture Minister has already stated that the State Government's Food for Work Programme is going to be basically based on the Employment Assurance Scheme. There are only 24 blocks which are remaining. Yesterday I had beseeched the hon. Parliamentary Affairs Minister to in turn beseech the Prime Minister that sence. There are only 24 blocks which are remaining. All these 24 blocks being covered under the drought affected 26 districts, why does not the hon. Prime Minister commit on the floor of the House itself today that there 24 blocks will also be covered under EAS. If he could do it today itself, it will be much better for us.

SHRI H.D. DEVE GOWDA : What I suggested to the Chief Minister was that all those blocks which come under the purview of those affected districts should be covered. As our hon. Member has suggested, if 24 blocks are remaining, I am prepared to consider that and I will see that those blocks are also going to be covered...*(Interruptions)*.

SHRI JAG MOHAN (New Delhi) : I would like to put one line question to the hon. Prime Minister ...*(Interruptions)*

MR. SPEAKER : We are already late. Unless you want to suspend the Private Members' time, it will not be possible. That is not fair.

(Interruptions)

SHRI H.D. DEVE GOWDA : I would like to mention two or three other points. The Lower Indira Irrigation Project and the lower Suktel project are major irrigation projects where there are some problems. Some people want that the project should be taken up and some other people are opposing it because of land submersion. I told the Chief Minister to submit these two projects and we are going to incorporate them in the Ninth Five Year Plan.

SHRI SARAT PATTANAYAK (Bolangir) : The Chief Minister has already submitted this project.

SHRI H.D. DEVE GOWDA : We are constantly in touch with the State Government. In fact, day before yesterday, I asked my Cabinet Secretary to contact the Chief Secretary and ask him to submit those two projects. I am telling you that there is no need for me to suppress any information. They are now preparing all necessary data. I have already assured that these two projects are going to be included in the Ninth Five Year Plan which is going to be finalised in the next two or three months. I have told that already and here also I am going to make a commitment on the floor of the House. This is going to solve major problem and naturally some area is going to be submerged. We have to rehabilitate them. Necessary funds are going to be provided for rehabilitation and resettlement. That is altogether a different matter. The hon. former Prime Minister has suggested about the permanent solution. I have taken this decision because permanent solution as suggested by the former hon. Prime Minister that this is one of the areas where we can find out permanent solution by taking up these two projects as suggested by the State Government. There are other two things suggested by the local people. There is one Medium Zonk Irrigation Project which is expected to irrigate about ten thousand hectares of land should be completed. That is under execution. It is an incomplete project. We are continuing to provide money for this.

SHRI JAG MOHAN : Yesterday I heard the former Prime Minister as well as yourself this afternoon. One thing that is in between the lines is that there is sufficient fund and there are large number of schemes that can take care of this. What is weak is the administrative machinery there which can really implement and execute the schemes. What help can the Central Government give in this emergency to the State Government to have a most effective machinery which can really implement all the schemes in time? Will you kindly consider this proposal of having some Special Commissioners for this type of job particularly the people who have done work at the time of Maharashtra famine and they did commendable work, they may have that experience, so that these things do not go by slow implementation?

SHRI H.D. DEVE GOWDA : I do not want to interfere with the State administration.

SHRI JAG MOHAN : This is sort of a suggestion.

SHRI H.D. DEVE GOWDA : I am not willing to interfere with the State administration to appoint a BDO or to appoint a Gram Sevak. There are vacancies. I do not want to go into details on every aspect as to how many posts of doctors have not been filled up. I am not going to make an issue on all these things. These are all matters which the State Government has to look into.

[Translation]

PROF. RASA SINGH RAWAT (Ajmer) : Hon'ble Prime Minister sir, 180 people have died there but the State Government is saying that these deaths have taken place due to diarrhoea. I would like to know as to what scheme has been formulated for the welfare of the people?

[English]

MR. SPEAKER : We have already taken nine minutes of the Private Members' business. I am not going to allow. Mr. Rawat, Prime Minister, can you now kindly conclude?

SHRI H.D. DEVE GOWDA : In fact, every Chief Minister has been demanding that more powers should be given to the States based on the recommendations of the Sarkaria Commission. In one of the meetings that we held with all the Chief Ministers, a Sub-Committee has been constituted to give the recommendations. Yesterday, our former Chief Minister also mentioned about giving free, full scope to them so that they could manage themselves. You were expressing that. I do not think money is the issue.

SHRI BIJU PATNAIK (Aska) : That is not the issue at all.

SHRI H.D. DEVE GOWDA : I will just mention one thing. Our former Prime Minister Shri Narasimha Rao ji has released Rs. 8.10 crore for starting what is called free feeding centres. We call it *Ganji Kendras* in our area to feed the mass who are suffering in those districts. He had released Rs. 8.10 crore in December 1994 and the money that is being spent under that category is hardly Rs. 4.5 crore. He had released it out of the Prime Minister's Relief Fund. I can narrate so many other things. I do not want to go into details about all those things.

MR. SPEAKER : I do not think, Sir, there is any time for you to narrate all this.

SHRI P.V. NARASIMHA RAO (Berhampur) : Sir, there are two points involved here. Briefly, one is the drought situation that has overtaken the State this year and the other is the permanent commitment of the Prime Minister to this particular area containing eight districts - now three districts originally which is called KBK. Now, this will not be finished or even tackled effectively by the State Government alone. It has to receive large doses of help, assistance and attention from the Prime Minister himself. This is what I tried to raise yesterday.

If he is good enough to give me that commitment about this KBK - with happened to be the most backward area in the country - then I think my request will be met.

SHRI BIJU PATNAIK : This is not fair for Shri P.V. Narasimha Rao to say this. He promised KBK Rs.4,000 and odd crore...(Interruptions) I am very sorry ...(Interruptions)... May be 10 year or 20 years but it must come under the plan.

SHRI SONTOSH MOHAN DEV : He has done for the people and not for himself...(Interruptions)

SHRI BIJU PATNAIK : He has done nothing for the people. (Interruptions)

MR. SPEAKER : Patnaikji, it is enough. Please.

SHRI BIJU PATNAIK : Whatever money you give, it must be monitored. Do not tell me that you are not going to interfere in the State's affairs. Half the money will go to their pockets...(Interruptions) Even Rajiv Gandhi said that 80 per cent of this money goes to the pockets of dalals...(Interruptions)

SHRI H.D. DEVE GOWDA : It is not the question of eight districts alone. The question is of giving priority to those areas which are suffering from this drought. It is not because of Orissa. Let me be very frank on this issue. Nobody should mistake me that I am attributing certain motive behind this. The purpose of providing Rs. 800 crore for irrigation this year for the first time is to take care of some of those projects which are pending for the last several years. About those lingering projects, nobody bothers.

This is the first time that we took a decision to provide Rs. 800 crore for irrigation in the Central Government's Budget. My intention is to provide more money for irrigation. This is definitely going to help the areas, where the scanty rainfall is there and every State has got such areas.

I would like to assure the hon. former Prime Minister that Rs. 92.10 crore provided this year will be enhanced. This grant is 100 per cent from the Government of India. There is no question of the State Government's commitment on that. We are going to see that the necessary funds are going to be provided to tackle this problem.

In this regard I have told the Chief Minister to engage an expert who has got sufficient knowledge about the assessment of the ground water, Geologist and conduct survey in all these areas. If the tubewells are going to be taken in a large scale, wherever underground water is available, then it is definitely going to solve the problem of those people who are suffering due to scanty rainfall. Whether it is rain-shadow areas or dark areas, I do not want to enter into all these things, the Government of India is prepared to find out some permanent solution for this area. About the scheme of KBK that is being formulated by the former Prime Minister, I am not bothered as to how much money is

released. I am not going into the details of all these things. We want that some permanent relief is given to the drought-prone areas. We have taken a decision in this regard. You have said yesterday that in Cauvery, there is no water; in Ganga there is a lot of water and in Brahmaputra, there is a lot of water. I constituted an Expert Committee to go into the point whether we can transfer the water from the surplus basin to the deficit basin. I have given all the guidelines as to what are all the areas they should go into.

SHRI BHUPINDER SINGH HOODA (Rohtak) : A lot of work has been done by Dr. K.L. Rao.

SHRI H.D. DEVE GOWDA : That is only on peninsular valley scheme. I had put a question to the former Water Resources Minister Shri Shukla. I am already in touch with Department because I am equally anxious about the irrigation. I know my commitment to the farmers and to the cause of irrigation. I do not want to go into those details. I have already constituted a Committee to find out the feasibility. It should be economically feasible and it should be technically feasible. How best we can make use of the surplus water from the surplus basin to the deficit basin will be examined. As soon as the report comes, I will come before the House for final allocation before implementing it...(Interruptions) Shri G.V.K. Rao, because of ill-health, has declined. Shri Hanumantha Rao has been made the Chairman. We have to generate the money also. Money can be generated if we all collectively work together. That is all I can say. For the massive tubewells programme, exclusively we are going to fund it from the Centre.

MR. SPEAKER : I have to take the consensus of the House. We have already taken 15 minutes of the Private Members Business. Is it the consensus of the House that time be extended for this discussion?

SHRI PINAKI MISHRA : It is a national calamity. We want only ten minutes more on this.

MR. SPEAKER : It is the Private Member's time. I am just taking the sense of the House. I am not going to block it.

SHRI ANIL BASU (Arambagh) : You may please extend it by ten minutes.

SHRI H.D. DEVE GOWDA : There is no need for ten minutes. I only say to all the Members representing Orissa to please have this in their minds. It is not a question of mixing politics because it is a Congress-ruled State. There is no such question. In a jocular way the Whip of the Congress Party has mentioned that.

SHRI SONTOSH MOHAN DEV : I said that your answer should be such that satisfies us.

SHRI H.D. DEVE GOWDA : Whatever money that is necessary to tackle this problem, we are prepared to provide it from the Government of India. Whether it is a hundred per cent grant or whether it is going to be

adjusted in the Plan, all these things are not relevant now. Let us with all seriousness tackle the problem in these eight districts. For that, necessary funds will be released. This is the assurance I am giving. If you want, I am prepared to again call a separate meeting and discuss.

SHRI PINAKI MISHRA : It is not eight districts, it is 26 districts. It is only because of Kalahandi, Koraput and Bolangir have got publicity that these districts have been highlighted.

SHRI H.D. DEVE GOWDA : The Chief Minister's report says out of 30 districts, 26 districts are affected. In 26 districts, 2600 villages are affected. That is what he has mentioned in his report. That report contains all the details. I have also indicated the money required. Money is not the issue. We are going to provide the money. Let the State Government start the work with all seriousness.

SHRI SARAT PATTANAYAK (Bolangir) : I have to make only one request, Sir.

MR. SPEAKER : We are breaking our own rules every time.

SHRI SARAT PATTANAYAK : We are getting rice at Rs. 2 a kilo in 160 blocks. But in 64 blocks it is still pending. They are not getting rice at Rs. 2 a kilo. In my district of Bolangir we are getting for irrigation purpose only six per cent.

MR. SPEAKER : Is it within the drought-prone area? We are talking about the drought areas. We are not talking about the entire State today.

SHRI SARAT PATTANAYAK : This is a drought-prone area. You have not included these 64 blocks.

MR. SPEAKER : Please do not bring in the entire issue of the State. We are on a particular issue of drought.

You cannot talk about the whole of Orissa.

(Interruptions)

15.50 hrs.

[English]

MR. SPEAKER : The House shall now take up Private Member's Business.

Shrimati Sheela Gautam.

15.50½ hrs.

MOTION RE: FIRST REPORT OF COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

SHRIMATI SHEELA GAUTAM (Aligarh) : Sir, I beg to move :

"That this House do agree with the First

Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 27th November, 1996."

MR. SPEAKER : The question is :

"That this House do agree with the First Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 27th November, 1996."

The motion was adopted.

15.51 hrs.

(Mr. Deputy-Speaker in the Chair)

[English]

MR. DEPUTY-SPEAKER : Hon. Members, please go back to your seats.

(Interruptions)

15.51¼ hrs.

OBSERVATION BY THE DEPUTY-SPEAKER RE: ALLOTMENT OF TIME FOR PRIVATE MEMBERS' BILLS AND RESOLUTIONS

MR. DEPUTY-SPEAKER : Hon. Members, as you are aware, the last two-and-a-half hours on a Friday are allotted for the transaction of the Private Members' Business. These two-and-a-half hours are utilised for consideration of Bills and Resolutions on the alternate weeks. Thus, a very limited time is available for transaction of Private Members' Business of each category. A very large number of Members give notices of Bills and Resolutions. On the basis of the ballot, only four Bills and three Resolutions respectively are selected for consideration by the House on a sitting earmarked for the transaction of a particular type of business. According to the recommendations of the Committee on Private Members' Bills and Resolutions, two hours are allotted by the House to a Bill or a Resolution. However, it has been observed that this time limit of two hours is not normally adhered to and the time has to be extended by the House in almost every case. This practice of extending time not only deprives those Members who are next in order of priority in the List of Business for a day but also results in disposal of a fewer number of Bills and Resolutions. For instance, during the Tenth Lok Sabha, out of a total of 405 Private Members' Bills introduced, only 20 Bills could reach the consideration stage. The figures in respect of Private Members' Resolutions are also not very encouraging, as out of a total of 98 admitted Resolutions, only 15 Resolutions could be discussed by the House.

Rule 296 of the Rules of Procedure and Conduct of Business in Lok Sabha provides that the time

recommended by the Committee in respect of Bills and Resolutions as approved by the House shall take effect as if it were an order of the House.

Several Members have been requesting from time to time that the provisions of the rule should be followed in letter and spirit.

In view of the aforesaid and with a view to ensure the participation of larger number of Members in Private Members' Business, it is proposed that henceforth the time as recommended by the Committee on Private Members' Bills and Resolutions and agreed to by the House should, as far as possible, be not extended.

I want to bring to the notice of the hon. Members the decision taken by the Committee on Private Members' Bills of the First Parliament taken on the 9th December, 1953 and on the 9th April, 1954. On the 9th April, 1954, the Committee decided and I quote :

"The Committee was also of the opinion that in future the maximum time limit for the discussion on a Resolution should not exceed four hours.

The Committee also considered that in regard to Bills which had been introduced and taken up for consideration in the House, the maximum allotment of time for consideration and subsequent stages of such a Bill should be four hours only.

[Translation]

Now it is before you. Those Bills are important on which discussion is held but perhaps those Bills are also important on which discussion is not held. Therefore, I would like to submit that we should follow the decision of the committee on Private Members' Bill of the First Parliament in this regard. The discussion on the Bill should be completed within two hours and if it is not possible then the maximum time limit should not exceed four hours so that more resolutions can be introduced. If this is the decision of the House, it should be accepted by all.

SOME HON'BLE MEMBERS : Yes Sir. It is correct.

MR. DEPUTY SPEAKER : Then, this decision should be taken on a unanimous decision of the House.

A discussion has already been held for nine hours on the present resolution and 42 hon'ble Members have taken part in the discussion. Therefore, no further time will be given for it. However, the time already fixed for it will certainly be given and other resolutions will be taken up for discussion thereafter.

[English]

Now, I request the hon. Minister to intervene on the Resolution.

15.56 hrs.

PRIVATE MEMBER'S RESOLUTION RE: UNEMPLOYMENT

[English]

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : Mr. Deputy-Speaker, Sir, this is a very interesting Resolution. As you have put it, more than forty two hon. Members have participated in it. In fact I am grateful to the hon. Member, Shri Prabhu Dayal Katheria, for having focussed attention on the present unemployment problem. According to him, to check the increasing unemployment and to generate employment opportunities, financial assistance has to be given to the small scale industries, more small scale industries should be set up and more infrastructure facilities like loans, electricity, marketing etc., should be given. He also suggested that certain areas of production should be reserved for small scale industries.

Sir, we fully agree with him because small scale industries are the backbone of our economy. In fact, the SSI is the success story of modern India because 95 per cent of the industrial units are in SSI. It produces 40 per cent of the industrial production...*(Interruptions)* While big business have failed in the export field, it is the small scale sector which sustained the export field because 35 per cent of the total exports are from the SSI. Today it produces about 7500 products. They produce not only the traditional items like leather, plastic, hosiery and readymade garments but also sophisticated items like CTV, computer assembly units, digital measuring units and so on and so forth. This has such an importance in our economy that now nobody can ignore small scale sector.

My colleagues, Dr. Subbarami Reddy, Thiru Das Munsri, Thiru Nitish Kumar, Thiru Venugopal and other raised the problem of credit to the small scale sector. Sir, as we all know, it comes under the priority sector. Forty per cent of the total loans disbursed by the banks are in the priority sector. Out of which 18 per cent goes to the agriculture, 15.91 per cent goes to the SSI sector.

16.00 hrs.

The balance goes to other schemes for export promotion. As it is the backbone of our industry, proper financing is being taken care of by this sector. If we find any lacuna, it will be taken care of. The public sector banks so far have advanced an amount of Rs. 29,482 crore to the SSI sector in the year 1995-96. The banks are instructed to ensure that the SSIs get 20 per cent of the turn over as working capital loan.

Besides these public sector banks, there are State Financial Corporations and other banks that provide term loans. The commercial banks mainly provide most of the working capital. The SIDBI, since its inception in

1990, provided an amount of Rs. 16.864 crore. So, this is also being taken care of. That is what I want to say to the hon. Members.

As regards the interest rates, I would say that the SSI sector is given a concessional rate of interest. For loans up to Rs. 25,000, the interest rate is 12 per cent; for loans between Rs. 25,000 to Rs. 2,00,000 the interest rate is 13.5 per cent and for loans above Rs. 2,00,000 it is open which will be fixed by the market.

Hon. Members have raised a point about Naik Committee report. The Naik Committee suggested that there should be specialised bank branches for SSI sector and that the target should be fixed at 100. I would be very happy to say that there are now 107 specialised bank branches which are operating. Sample surveys are being conducted to find out the adequacy of credit. Regular meetings are also held by banks at zonal and at regional levels. For sensitising bank managers and to simplify the procedures, necessary instructions have been issued.

Other colleagues have spoken about incentives that are given to the SSI sector. 836 products are reserved for small scale sector. They are given price preference also. That is, they are eligible for the benefit of price preference to the extent of 15 per cent. The tenderer or the purchasing organisation, under this scheme, is required to consider the quotation of SSI units, even if it is higher by 15 per cent over the lowest quotation of the large scale unit.

There is also a policy of purchase preference. Purchase preference is another marketing support for the SSI sector. Under this, the Government have reserved 409 items for exclusive purchase by the Government from the SSI sector. So, this is also taken care of.

There are several schemes to improve the marketing strategy and funding of the SSI. I do not want to go into the details of this.

Regarding PMRY, hon. Members Shri Nitish Kumar, Shri Rasa Singh Rawat and Shri Namgyal have made a mention about it. There are some lacunae in the execution of PMRY.

MR. DEPUTY-SPEAKER : As I have an important work and since the nominated Chairpersons are not present now, I request Shri Jos to preside over the House.

16.04 hrs.

(Shri A C Jos in the Chair)

SHRI MURASOLI MARAN : Recently, the Secretary of the SSI took a meeting of the commercial banks and the State Financial Corporations in the first week of August 1996 to review the flow of credit and to discuss the hurdles which are coming in the execution of PMRY. I followed it up with a meeting of the representatives of

the Reserve Bank of India, SIDBI and others. We have told them that for executing PMRY, the banks should not ask for collateral security; and if they ask for collateral security, then - we have told them very strictly - it will be considered as a crime and we will take action against them.

SHRI RAMESH CHENNITHALA (Kottayam) : The point is when the schemes are scrutinised by the district level committees, the banks are not giving them that amount of Rs. 1,00,000.

They will give only about Rs. 50,000. So, the schemes are not able to take off. After sometime, what happens is, the revenue recovery proceedings go on with the beneficiaries. My request to the hon. Minister is that he should give them specific instructions to scrutinise the viable schemes and after scrutinising them, the banks should give the full amount to implement the scheme. That is the main problem which we are facing.

SHRI MURASOLI MARAN : I agree with the hon. Member, Shri Chennithala and I would assure him that we have already initiated steps in this regard, for example, the Secretary, SSI took a meeting with the commercial banks and the State Financial Corporations in the first week of August, 1996 and I followed it with a meeting with the representatives of the Reserve Bank, SIDBI and concerned Government Departments on the 20th August, 1996. So, we have told them very clearly that there should not be any delay and that they should not ask for any collateral security. As a result, the RBI directed the banks on the 15th October, 1996 not to take collateral security. This point was highlighted by you earlier also. We will take care of that and if there are specific complaints, I would assure the House that we will take action.

The hon. Mover of the Resolution mentioned about glass industry in Ferozabad. In India, Ferozabad and glass making are synonymous. It is still steeped in traditional skills handed down nearly 300 years ago from the Mughal period. In fact, 70 per cent of the glass produced in India is produced in Ferozabad. Currently, there are 300 to 350 authorised units in Ferozabad employing about 1.50 lakh people. They produce bangles which is the monopoly of Ferozabad. I am told that it has got a very good export market also. But I understand that they are facing problems. Falling under the Taj Trapezium, all factories within a radius of 40 kilometres have to adhere to very strict pollution control. So, they have now been compelled to take gas as their fuel. So, besides being environment friendly, gas-based production will go a long way in creating glassware that we have seen only in Europe. It will definitely improve our standard. I would say that it is a boon to the glass industry. In fact, the president of the UP Manufacturers Syndicate has called it a revolution. Such a revolution is taking place because of the Supreme Court judgement.

But there are certain difficulties being faced by the glass manufacturers. These have been brought to our notice by the Mover of the Resolution. According to him, gas is produced at the price of Rs. 5100 per thousand standard cubic metre in Ferozabad whereas it is given for a shot-up price in other areas. I would like to point out to him that it is not so. If it is in the main line, in the HBJ route, the price is less. But in this case, they have to make a detour of 92 kilometres. So, they have to lay lines at the cost of Rs. 65 crore. Further, they have to make individual distribution lines at the cost of Rs. 65 crore. So, the cost increase to Rs. 130 crore. That is why, they have to pay a little higher price. The price comes to only Rs. 5100. I do not think it is a high price but I can understand that they have been facing some other difficulties. They have to renew the furnaces because they have been producing furnace design for the use of coal and now they have been using gas which means they have to spend about Rs. 10 to Rs. 25 lakh per furnace.

This is a real difficulty.

At the same time, the long range advantages should also be taken note of. For example, the actual cost per unit in put furnace would come to Rs. 4,050. But now the same in gas-based one will cost only Rs. 2,805. The advantages are there. Look at the difference between Rs. 4,050 while using coal and the advantage that would be available now while paying only Rs. 2,805 which is the actual cost of melting the per unit glass. This advantage is there.

At the same time, a difficulty is there. Now, you have to shell out Rs. 15 to 25 lakh to modernise the furnace. We have got a plan because it is one of the pride industries of India. It is one of the traditional industries. It is going on for 300 years. It has got a very good export market. We have to help those people who are doing this business. So, we have to decide for getting finance for modernising the furnace. The SIDBI will be arranging soft loans either through themselves or through other financial institutions. At the same time, we may consider giving some interest subsidy to those people. About 64 people have already agreed to this suggestion. They have come forward to change this furnace from coal to gas. I think, others will also follow suit very soon.

There is a Centre for Development of Glass Industries in Ferozabad. It is being run with assistance from the UNDP. They are going to create a proto-type design and a training unit very soon. I think, it is in the offing. Very soon, a foreign consultant will be coming here to demonstrate and train the local workers. So, I would assure the hon. Member that he need not worry about it. Their grievances will be taken care of. That is the assurance I want to give to the hon. Member.

Many hon. Members have indicated that the present ceiling of Rs. 60 lakh, which is considered as ceiling for small scale industries, is very low. Therefore, we have

to increase the ceiling. That is a universal demand. Almost all the hon. Members have spoken about it. Of course, it is true. We have to offset the erosion in the value of the rupee due to inflation, devaluation and realignment of exchange rate vis-a-vis foreign currency. Last time, the ceiling was fixed five years ago. In the meantime, the rupee value has gone down. Not only that, there is an increase in international prices of capital goods also. Now, we have to take cognisance of changes in the tariff structure.

We have also to meet the growing needs of technology, upgradation and modernisation. We have to be competitive. So, there is no doubt that the ceiling of Rs. 60 lakh should be raised. By how much is the question. This is a very delicate problem. That is why we have appointed a high level committee with Dr. Abid Hussain as its Chairman. Earlier, they promised us that they would submit the report by the end of October. But now they say that their report would be given by the end of December. We are waiting for that report. After receiving the report, the ceiling would definitely be raised.

Coming to reservation of items, 836 are reserved for them. Therefore, it has to be thought over whether 836 items should remain there or whether this figure should be raised or reduced. It is also a big problem. So, we are waiting for that report.

If we raise the ceiling for small scale sector, we have to raise the ceiling for tiny sector commensurate with that. Otherwise, there will be an imbalance. Therefore, I would tell the hon. Mover of the Resolution and the House that after receiving the report of Dr. Abid Hussain Committee, we would be announcing a big promotional package for the small scale and the tiny sectors. Therefore, it would be done by the end of this year or by January next year.

Sir, the hon. Member is right when he says that the small scale sector is only capable of taking care of the problem of unemployment. According to one study, if we invest one lakh rupees in the small scale sector, ten persons would get employment, whereas if we invest the same amount in a big industry, the chances of number of persons being employed there would be very less.

Sir, we know the emphasis that has to be given to the small scale industries. We have to upgrade the technology also. That is why we are having technological tie-ups with countries like Korea and others. For example, today in the morning there was a question on this, The State of Andhra Pradesh has already got in touch with Indonesia for a joint venture. So, it is taking place.

Therefore, with this assurance, I think, the hon. mover of this Resolution would be satisfied. I once again thank him and congratulate him as well for having focussed attention on this very important aspect. I would now request him not to press for the Resolution.

SHRI RAMESH CHENNITHALA : Sir, I have a question to ask to the hon. Minister of Industry. It has rightly been pointed out by the hon. Minister that it is the policy of the Government to encourage the small scale sector. I would like to point out that the Central Government had started Industrial Production Centres in different parts of the country but now some of them are not functioning very well. I think, it was started in the year 1952. The Industrial Production Centres were started with a view to helping the small scale sector in training and for some other purposes. Even they used to produce some product and those were sold in the market. The Production Centres are on the verge of closure today. I would like to know whether there is any comprehensive plan or whether you would contemplate a comprehensive plan for reviving the industrial Production Centres which are existing in different parts of the country though they are completely defunct. They could help the small scale and medium scale industries which in turn could provide more employment to the unemployed people.

SHRI MURASOLI MARAN : Sir, in regard to the Industrial Production Centres I would like to say that I do not think that the Industrial Production Centres are defunct. If the hon. Member brings any specific instance to my notice, I would definitely take note of it.

SHRI DWARAKA NATH DAS (Karimganj) : Sir, the hon. Minister has not said anything about the cottage industries. The cottage industries help in providing employment particularly among the rural women. He has ignored this. I would like to know something about it from the hon. Minister.

SHRI MURASOLI MARAN : Sir, I mentioned about the tiny industries. But he is specifically asking about the cottage industries. In fact, the problem with this Resolution is that though it says about unemployment yet it covers a wide range of subjects. The Resolution says about unemployments which is a subject dealt with by the Ministry of Labour; the Resolution says about the small scale industries which is a subject dealt with by my Ministry; it says about the Handicrafts industries which is dealt with by the Ministry of Textiles.

Anyway, I would send a note on the subject to the hon. Member about what is being done in the village industries.

SHRI ANIL BASU (Arambagh) : Sir, emphasis has been given for giving employment to the youth in various self-employment schemes of the Government. The main bottleneck to this is the role of the banks. The banks have to provide loan and the subsidy has to be provided by the Government. If the Credit Deposit Ratio of the Banks in most of the areas, are looked into, it would be clear that the banks are not ready to provide loans to the unemployed youth which would enable them to create employment on their own initiative. This is also the plan of the Government. The hon. Minister has not

said anything as to how he is going to solve the problem of the Credit Deposit Ratio.

In my district, Hoogly, which is an agriculturally and an industrially developed district, the Credit Deposit Ratio there is only 18-20 per cent. In the year 1993 all the nationalised banks in my district mobilised deposits to the tune of Rs. 1100 crore. What was the credit? They gave credit to the tune of Rs. 127 crore. While the deposit was Rs. 1100 crore, the credit was Rs. 127 crore. It was in a district which is considered as one of the advanced districts of the country. In some other parts of the country, like Maharashtra and Gujarat the credit-deposit ratio is much higher. In some of the Eastern States the credit-deposit ratio is so low that bankers are not funding the projects, especially the projects sponsored by the State Government and the Central Government, like PMRY. So, they are facing a lot of problems in getting finance from the banks. I would like to know whether the Minister has got this information and if he has this information he may clarify the Government's stand in this regard.

SHRI MURASOLI MARAN : The hon. Member is right. When we reviewed PMRY and other micro employment projects, it came to light that in West Bengal it is not doing very well. The lead bank is United Commercial Bank. We have told the Reserve Bank to find out the reasons as to why it is not doing so well in West Bengal and some of the Eastern States. We have taken it up with the Reserve Bank of India and we have asked the Finance Ministry also to probe further and remedy the situation.

[Translation]

SHRI PRABHU DAYAL KATHERIA (Ferozabad) : Mr. Chairman, Sir, before expressing my views I would like to heartily thank all the hon'ble Members who have expressed their views on this Resolution.

I am not satisfied with the vague reply given by the hon'ble Minister. My original question was as to how would the increasing unemployment be checked in the country. My second question was that how the small scale industries would be saved from the competition of big industries? My third question was how the facilities of marketing, electricity and water would be made available for the areas where small scale industries were running? My fourth question was that I raised the issue of workmen, artisans and nationalised bank. I would like to ask as to whether the Union Government would set up such banks? I had asked four-five questions. Like United Front Government which is an alliance of 13 parties the hon'ble Minister has given a vague reply in his mother tongue. I am not satisfied with his reply.

My question was as to how the small scale industries should be saved from the competition of big industries. The hon'ble Minister fenced with this question

by saying that this question relates to the Ministry of Labour. If this issue relates to the Ministry of Labour, the Labour Minister should have been present here because this is a Private Members' Bill and I have privilege to put it up. The Labour Minister should have been present here. The hon'ble Minister has avoided by saying that he cannot do anything in this regard. I am not satisfied with the reply at all.

In our country, there are five crore unemployed who are running from pillar to post. What the Government of India is doing for them? There are 75 lakh unemployed youth who have registered their names with Employment exchanges. But the hon'ble Minister has given a vague reply. I am not satisfied with it. After all, I had brought the Bill hence, I should have been given a reply. But who will reply? You just look at the position of Jammu and Kashmir. The unemployed youth are holding degrees of B.A. and M.A. there and seeking job. If they are not provided job, who is responsible for that. I would like to ask from the Government that who is responsible for the circumstances in which youth all over the world would have been compelled to hold weapons in their hands? I am not satisfied with the statement given by the hon'ble Prime Minister also. Former Prime Minister is also sitting here. He has run his Government for five years. Millions of rupees have been allocated to the States of this country. I would like to ask all the Prime Minister who have ruled over this country as to whether it is not possible to constitute a committee to monitor the expenditure of the State Government so that responsibility can be fixed for misuse of funds?

Late Rajiv Gandhiji had said that 85 per cent of the funds allocated to the States are misappropriated and only 15 per cent of it is spent on the schemes. Can you not constitute a committee for that? You should have constituted a committee for that. You have just provided crores of rupees to Orissa. Who is accountable for it? I would like to know as to who is responsible for imposing Article 356? Why do you evade responsibility? Who is responsible for that. In my opinion, the Government of India is responsible for that. You are prepared to impose Article 356 but what about crores of rupees which the Government is giving to the State Governments for misappropriation.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): Is he speaking on the Resolution?...(Interruptions)...What is this, Sir?...(Interruptions)

MR. CHAIRMAN : Mr. Katheria, please speak on the Resolution.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Yes, I am coming to the Resolution.

[English]

PROF. RASA SINGH RAWAT (Ajmer) : Unemployment problem is being created because of it. That is why he is referring to it.

MR. CHAIRMAN : Unemployment has nothing to do with Article 356.

[Translation]

SHRI PRABHU DAYAL KATHERIA : It is there in Jammu and Kashmir, Andhra Pradesh and in Assam also. It is my privilege to speak on this Resolution. Today, I have been given an opportunity to speak. Therefore, I said that unless you take responsibility how it would be done? A Member of Parliament represents 20 lakh people and these people are looking towards him to know as to what he is doing in the Parliament. On one hand, rich people are spending money lavishly but on the other hand the unemployed are pining for two times meal. And they are anyhow satisfying their hunger. On the one hand, crores of rupees are being misappropriated in scams and on the other hand unemployed youth are running from pillar to post. We are responsible for this situation. 42 Members have expressed their views on this issue. The Government should have thought over it and it could have given an assurance after thinking over it properly. If it was not possible to introduce a Bill in this regard, it could have introduced in the next session. But the hon. Minister did not give any such assurance. Unemployment is increasing in the entire country and if we did not bear our responsibility, the time is not far when the unemployed youth of the country will pull us on the road.

Though I and you share the same feeling ... (Interruptions) I am coming to the point of unemployment. We had demanded an amendment to the Constitution to the effect that employment be included in the Fundamental Rights by consensus. But the Hon. Minister did not reply in this regard.

I had also questioned as to how the small industries could be rescued from the competition of big industries but the hon. Minister did not reply.

Today, Multinational companies are coming to India and producing Bikaneri Bhujia and chips. How will the small scale industries be able to compete with these big companies. These things are produced by the small scale and cottage industries. I would like to know from the Government why is it permitting the big companies? I suppose nothing can be done unless and until the Government is convinced that permission to these MNCs is wrong. These big industries donate Rs. 5 crore to one party and Rs. 10 crore to another during elections. How will the Government be able to control corruption in this situation and how will it escape from their competition? The hon. Minister did not reply in this regard. I like the Government to evaluate the small scale industries and monitor them by constituting a

committee and impose ban on big industries entering into small scale industries' jurisdiction. Only then the existence of small scale industries can be saved and they can show their presence in the market. The small scale industries are in no way lesser than any other industry. The hon. Minister did not reply that the big industries will not encroach upon the jurisdiction of small scale industries.

I want to tell you that 45 percent production is being done by the small scale industries and the contribution of this sector in India's total export is 65 percent. But they have not been provided any special facility. Our colleague has told us as to how an individual who wants to set up a small scale industry is exploited at different places even in the beginning of the process—for example he is exploited when he approaches bank for loan or the department of electricity. The hon. Minister told us that there are 26 lakh small scale industries in the country out of which 3 lakh units have fallen sick. This is not a cock and bull story but these are the facts provided by the Government of India while a large number of unemployed youth are running from pillar to post, for job. What does the Government propose to do for them? I am also a Member of Standing Committee. There too I raised this issue and wanted to know as to who was responsible for this plight. I think that the problem of unemployment can be solved by promoting small scale industries since this sector enjoys 65 percent generates 95 per cent employment. While the sector investing 95 percent generates employment to the tune of only 20 percent. The hon. ex-Prime Minister present in the House had once said that without setting up a network of small scale industries, welfare of the country was not possible. I want to know as to how much attention has been paid to this aspect. There is corruption on large scale in Prime Minister's Rozgar Yojana being implemented in different parts of the country. I hail from the rural area and I know that the needy persons are not the real beneficiaries. The bill is passed for two or four thousand and the fifty percent amount is taken as bribe. The bank officials and the officials of the department of electricity are charging separately. How can the small scale industry sector prosper in such a situation?

Sir, my Parliamentary Constituency of Ferozabad is famous for its glass work not only in India but in the entire world. I drew the attention of the Government towards a problem of the area being faced by the small scale sector and wanted to know as to why the gas was being provided for the small scale industries at the rate of Rs. 3500 per thousand cubic mtr. while we were being provided the same at the rate of Rs. 5000 per thousand cubic mtr., I was not properly replied. This work is being done in almost every House of the area.

[English]

MR. CHAIRMAN : Shri Katheria, the time allotted for the Resolution is only 43 minutes. We have already

covered ten hours for the Resolution. I would request you to kindly conclude as early as possible. How much more time you need? The time is over.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Keeping in mind the dignity of the Chair as well as of the House, I am going to conclude soon. Had I been imparted with justice, I would not have been on my legs to raise these points. When the gas is being provided at the rate of Rs. 3500 per thousand cubic mtrs. why step-motherly treatment is being done with Ferozabad?

Sir, unemployment is the real cause behind the exodus from villages to cities. Had there been cottage industries, small scale industries and rural industries in the villages, the exodus from villages to cities would not have been on such a large scale and there would not have been so much pollution in the cities. Today, Delhi occupies third or fourth place in the matter of pollution. The migration of people from villages to cities in search of employment is causing fatal diseases in Delhi. There is no electricity, no arrangement of water, no road and no arrangement in the villages, therefore, exodus on such a large scale is taking place. No point raised by me, has been satisfactorily replied. I can conclude as per the orders of the Chair if the hon. Minister gives me an assurance. I want the Government to introduce a Bill during the next session which can provide employment to the educated unemployed youth. The big industries should not be allowed to encroach the jurisdiction of small scale industries. If the Hon. Minister comes forward with any such assurance, I can conclude my speech. I am not satisfied with what has been said so far. The Government has been providing crores of rupees for these works on paper but nothing is done in Ferozabad?

[English]

SHRI MURASOLI MARAN : Mr. Chairman Sir, I once again thank the hon. Member for having brought these things to our notice. I have already told him clearly regarding the gas supply to Ferozabad. I had made it very clear that it is going to be cost effective for those people, in the sense that they are going to gain ultimately because now by using coal furnace they are going to spend Rs. 4,050 per unit of melting and if they switch over to gas, it will cost only Rs. 2,805 for actual cost of melting of unit glass. So they are going to be the ultimate gainers.

But they have a problem, I would say, that they have to install a new furnace. They have to switch over from coal furnace to gas furnace. It will cost about Rs. 15 lakhs to Rs. 20 lakh.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Mr. Chairman, Sir, when the Government of India takes any decision that applies equally to the entire country and not to any

particular industry or any particular district. Why does it not apply to Ferozabad?

[English]

SHRI MURASOLI MARAN : I am sorry that I am not able to make myself very clear. If it is in the HBJ main line, the cost is less. But here if they have to take it to Ferozabad, we have to take a detour of 92 kms. Then they have to construct other individual distribution lines also. It costs about Rs. 130 crore. That is why they have to charge more.

Now the question is regarding switching over the future from coal to gas...

MR. CHAIRMAN : Mr. Minister, that is not the question.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Mr. Minister, I am requesting you to first understand my question. Whatever decision is taken by the Government of India that is applicable to the entire country, not to any special industry. When the entire country is getting gas for small scale industries at the rate of Rs. 3500 per thousand cubic mtrs. why is it being provided at the rate of Rs. 5500 per thousand cubic mtrs for Ferozabad?

SHRI MURASOLI MARAN : I will tell you because it is not in the main line. They have to take a detour of 92 Kms. It caused fire. Then they have to take individual lines. That is why it is costly there. So it is a uniform policy.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Please clarify it.

[English]

SHRI ANIL BASU (Arambagh) : Mr. Minister, you please first clarify to this House as to whether the Government is serious about the unemployment problem of the country.

SHRI MURASOLI MARAN : That is a different matter.

SHRI ANIL BASU : He is speaking about the specific problem of his constituency. What is the Resolution? The Resolution is on unemployment problem of the country. If you clarify this, it will be good.

SHRI MURASOLI MARAN : Yes, I will clarify. I have already clarified in my main reply. Even now I will clarify. Unemployment is a major problem that we have been facing. It is not a new problem that has cropped up today or yesterday. Sir, we have made it very clear in the Common Minimum Programme that we have to aim for a growth rate of more than seven per cent GDP and our next Five Year Plan, i.e. the Ninth Five Year Plan which is being drafted will give more emphasis for providing employment. These are the things that I have

to make it very clear. Who differs with him on this issue? There is no difference of opinion.

MR. CHAIRMAN : He has replied in general, Shri Katheria.

[Translation]

SHRI PRABHU DAYAL KATHERIA : He is evading the issue. The Members are of the view that the Government should take it up for consideration ... (Interruptions) you understand their anguish and you would agree with me... (Interruptions)

A very important issue is involved in it. On 6th August, 1991, when Congress was in power, Shri Manmohan Singh had made an emotional announcement that Inspectors Raj would be done away with in the small scale sector, whereas it is still very much in force. Every hon'ble Member would agree that Inspectors Raj still exists in small scale sector. They are required to deal with 63 inspectors. The bribe is taken from 30 to 55 per cent. Large scale industries are being set up but Inspectors Raj has been imposed on small scale sector. How would the small scale industries be able to stand in competition with big industries?

[English]

MR. CHAIRMAN : You are raising an important question but the time is very short.

[Translation]

SHRI PRABHU DAYAL KATHERIA : The Government should pay attention towards such matters. There are several small scale industries in our country. Today, three lakh units are sick. The Minister should give an assurance that he would look into it and would do away with the Inspectors Raj. The Minister should reply to at least one question.

[English]

MR. CHAIRMAN : You come to the point and please conclude.

[Translation]

SHRI PRABHU DAYAL KATHERIA : If it is your order, I shall have to abide by it.

The hon'ble Minister should give one more assurance that the Government would bring a Bill for the unemployed in the next session. What is the view of the Government in this regard and what steps are being taken to eradicate unemployment? The House should also take a unanimous decision in this regard. All types of problems are rearing their heads. We should take such a step so as to help them overcome these problems and also project our positive image. The unemployed youth is keen to know as to what steps are being taken by us to eradicate unemployment. How would they be able to live in a situation of

unemployment? The Government should give an assurance in this regard.

[English]

MR. CHAIRMAN : Yes, that is all. You have concluded. You have taken too much of time. So you are concluding now.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Some assurance should be given. At least one of my 5-6 questions should be answered, only then I would be satisfied. I would abide by your orders.

[English]

MR. CHAIRMAN : He has given you the reply regarding your problem, i.e. the gas from the glass industries. He has replied about the district, at least. So in general, he says that it is a general problem.

SHRI MURASOLI MARAN : I cannot speak about the next Budget which is going to come in February. Regarding small scale sector, I would give an assurance. We are waiting for the report of Dr. Abid Hussain Committee. That report is going to come within a month. Therefore, after receiving the report, we are going to announce a big promotional package for the small scale sector and the tiny sector.

MR. CHAIRMAN : No, Minister. His submission are very valid and important. He says that the small scale industry is going through an *inspector-raj*. He wants that all those things are to be looked into.

SHRI MURASOLI MARAN : We are looking into the *Inspector Raj*. It has to be dismantled. But, we are waiting for their Report. Having appointed a Committee, if the Committee is going into it how can we do it in a piecemeal manner? Now, we have to wait for the Report... (Interruptions)

MR. CHAIRMAN : Mr. Katheria, now, you have to be satisfied because he has basically understood the problem.

[Translation]

SHRI PRABHU DAYAL KATHERIA : Mr. Chairman, Sir, I honour your orders but I must add here that the decision taken by the Congress Government in August, 1991 should be implemented.

[English]

MR. CHAIRMAN : Now he is aware of it. You please conclude.

(Interruptions)

SHRI MURASOLI MARAN : I request him to withdraw the Resolution. That is the common view of the House.

MR. CHAIRMAN : Mr. Katheria, are you withdrawing your Resolution?

[Translation]

SHRI PRABHU DAYAL KATHERIA : Mr. Chairman, Sir, Hon'ble Members are sitting here and I want an assurance from the Minister that it would be fulfilled by next session. With this hope, I withdraw my Resolution.

[English]

MR. CHAIRMAN : Does the hon. Member have leave of the House to withdraw his Resolution.

SEVERAL HON. MEMBERS : Yes.

The Resolution was, by leave, withdrawn.

16.46 hrs.

PRIVATE MEMBERS RESOLUTION RE: NEW AGRICULTURAL POLICY

[English]

SHRI ANIL BASU (Arambagh) : I beg to move :

"That this House urges upon the Government to formulate a new 'Agricultural Policy' to protect the interests of Indian agriculture and agriculturists and to increase productivity."

PROF. RASA SINGH RAWAT (Ajmer) : The hon. Minister of Agriculture is not here... (Interruptions)

MR. CHAIRMAN : The Minister of State of the Department of Animal Husbandry and Dairying in the Ministry of Agriculture will reply to the discussion.

(Interruptions)

[Translation]

PROF. RASA SINGH RAWAT : Mr. Chairman, Sir, the Minister of Agriculture is not present in the House. He should be present here as the new agricultural policy is being discussed.

THE MINISTER OF STATE OF THE DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING IN THE MINISTRY OF AGRICULTURE (SHRI RAGHUVANSH PRASAD SINGH) : Mr. Chairman Sir, I am present here to listen to and note down the suggestions of Hon'ble Members and to give a reply in this regard.

[English]

MR. CHAIRMAN : He is connected with the Ministry of Agriculture. He will reply to the discussion.

PROF. RASA SINGH RAWAT : That is a part of the Agriculture.

SHRI ANIL BASU : Sir, the Tenth Lok Sabha discussed the New Agricultural Policy. It was announced by the previous Government led by Shri P.V. Narasimha Rao. In the year 1992, the New Agricultural Policy was announced which was a bye-product of the New

Economic Policy. Why was it necessary to formulate a New Agricultural Policy? That is a question that can be asked from various quarters of the House ...*(Interruptions)*

MR. CHAIRMAN : Shri Basu, I am sorry for the interruption. The total time allotted for the Resolution is two hours. We have got another five speakers and many more Members may also like to speak. So, you speak within the time frame.

SHRI ANIL BASU : Sir, this is the time of Private Members about the Resolutions. I am the mover. It is the practice in this House that the mover has got much time to express his views freely. I submit that this is very vital for our country and for our economy, if the Members from various sections of the House want to participate they should be allowed to do so.

MR. CHAIRMAN : Yes. They will be allowed.

SHRI ANIL BASU : The time should not be a bar with regard to the development of the country. That is my humble submission before the Chair.

Sir, the New Agricultural Policy was announced in 1992 by the P.V. Narasimha Rao Government. At that time I was also a Member of the Tenth Lok Sabha. We had vehemently objected to that New Agricultural Policy because that was against the interests of the majority of the peasantry, against the interests of the small, marginal and middle farmers. The thrust of the New Agricultural Policy was to protect the interests of a very small section of the Indian peasantry, that is, the upper strata of the peasantry - mainly the landlords and the rich peasants. So, the New Agricultural Policy announced in 1992 was detrimental to the interests of the country. Moreover, after the GATT Agreement and the formation of the World Trade Organisation, that agricultural policy had failed to protect the Indian agriculture and the Indian agriculturist against the onslaught of multinational corporations. Thus, the said agricultural policy would only benefit temporarily, not permanently, a very small section of the Indian farmers, that is, the big farmers and the landlords, but the rest of the farmers would be ruined. These farmers constitute the bulk of our toiling peasantry.

That New Agricultural Policy of 1992 of the P.V. Narasimha Rao Government would also stall our research efforts and would also lead us to give up the aim of self-reliance. It would ultimately lead us to a status of indebtedness—the indebtedness of Banana Republics, as we know from the history. Our country will produce only commodities which would be required as raw material in developed countries for the multinational corporations and which will be consumed by the people of that country. We would be compelled to produce all those commodities and will have to sell them at throw away prices. Thus, it will perpetuate our poverty and, in the long run, it would lead us to compromise our economic and political sovereignty also.

Besides, the GATT Agreement would impinge on the removal of trade and tariff curbs and it would have direct implication on the farm sector. So, that agricultural policy of the previous Government was bye-product of the New Economic Policy announced by that Government.

AN HON. MEMBER : It has given self-sufficiency to our country.

SHRI ANIL BASU : It is premature to say that. It is bound to influence the course of our agriculture with regard to growth, cropping pattern, export, import, investment, etc.

There are four important aspects of the new components of the World Trade Organisation and GATT, namely, (1) domestic support; (2) market access; (3) export competition; and (4) intellectual property rights. All these four aspects of GATT would affect our agriculture. The Agricultural Policy of 1992 has failed to take care of the emerging scenario after the GATT Agreement and the formation of WTO. I, therefore, strongly recommend to the House for the formulation and adoption of a New Agricultural Policy, rejecting the previous agricultural policy lock, stock and barrel.

Sir, I would also urge upon the Government to come before the House with a comprehensive New Agricultural Policy which would protect the Indian agriculture and the agriculturists against the onslaught of the multi-nationals. I would also urge upon the Government to come before the House with a comprehensive agricultural policy which would increase production and productivity, which would also bring prosperity to the majority of the farmers of our country and which would also create employment and jobs in agriculture through agro-industries and agro-processing units. But these agro-processing units and agro-industries should not be left to the multi-nationals so that they can infiltrate in our agriculture sector and can loot our whole agricultural assets and the whole agricultural production. These agro industries and agro processing units which would create employment in the rural areas and which would provide jobs to millions of our rural youth should be taken up through the Government investment and cooperatives so that the infiltration of the multi-nationals in this vital area can be resisted effectively.

Sir, as you have asked, I shall be very brief and specific. I will only specify the outline of the proposed New Agricultural Policy. As you are well aware, besides land, development of agriculture depends on irrigation and other inputs like fertilisers, seeds, pesticides, agricultural implements, credit, price and marketing. These are all important areas on which development of agriculture depends. But, what have we done, so far, in these areas?

My proposal is that the thrust of the New Agriculture Policy should be to take care of all these aspects starting from land and ending at marketing. All these aspects have to be looked into and have to be taken care of,

if we want the prosperity of our country and if we want to bring prosperity to crores and crores of the rural people of India.

On the question of land: I want to mention one thing. In pre-independence days, land belonged to the *Zamindars*. In the independence struggle, our peasantry participated in the freedom movement of the country and they fought a heroic fight against the British rulers for the Independence of the country. At that time the national leaders assured the peasantry, who were tenants at that time, that they would be freed from the shackles of feudalism of *Zamindars* and they would be freed. But what happened later on? After the Forties, what happened when there were several uprisings in various areas of the country, particularly the peasant uprising? Sir, you remember that in Bengal there was the historic peasant uprising called *Tebhaga* movement where millions and millions of peasantry have raised the slogan of 'Three-fourths share of the produce.' They wanted to raise the harvest in their own farming, in their own areas and they wanted three-fourths of the share of the produce. Millions and millions of peasantry participated in that historic struggle. In my district also, five peasant women faced the bullets of the police and they sacrificed their lives for this cause.

There was also the Nizam rule in the Telengana area of the present Andhra Pradesh.

17.00 hrs.

The Telengana peasants fought a heroic struggle against the misrule of Nizam to free themselves from the shackles of the Nizam rule. Sir, the history of the Telengana struggle has proved that the Indian peasantry fought for their right, but they were denied their right. Instead of giving them the proper rights, they faced the bullets and jails and they were hanged. Sir, after Independence, in Maharashtra, Bihar, Bengal and Andhra Pradesh, everywhere the peasantry fought for their right. The fight was against the operation of *Zamindars*, against the operation of the rulers of that time. But what has happened after independence? They were assured that they would get the ownership of the land which they tilled. But what happened?

The Government, after independence, at that time, was also led by the Congress Government. They brought about land reform legislations in different States and announced abolition of *Zamindarship*, but there were so many loopholes in those legislations that no land could be made available to the Government to distribute to the peasants who were fighting for their right. This was only a gimmick. This was only to hoodwink the peasants of our country of their rightful right. What we see is that after independence, the then Prime Minister Pandit Jawaharlal Nehru appointed Dr. Prashanto Mahalanobis, the renowned statistician, to take into account the quantity of surplus land which would be made available to the Government for distribution. What was the study and recommendation of the Prashanto

Mahalanobis Committee Report. The Committee recommended to the Government that six crore acres of land could be made available to the Government which was surplus land after enforcing the ceiling laws. Ceiling laws mean that a quantity of land could be retained by the landlords, the owners, and the land which is beyond the limit of the ceiling would be taken by the Government after paying due compensation. So, according to the recommendation of the Prashanto Mahalanobis Committee Report, this quantity of land should be made available to the State Governments for distribution. But what happened? Today, we see that even after 50 years of our independent India, the land reform has been given a go-by. Nobody is interested to implement the land reform while you have committed during the national freedom movement. Then, you have backed out and have not fulfilled your commitment. People were running the affairs from Delhi and the different States ruled by the Congress were not interested to implement the land reform. That is why we see that the land reform has not been completed till date.

You know, Sir, after the formation of the National Front Government, in the Common Minimum Programme, land reform has been given some importance.

But in spite of that we see that land reform could not be implemented in various parts of the country due to lack of political will of the political party running the States. In West Bengal, we have implemented land reforms very seriously. Since the formation of United Front Government...(Interruptions)

SHRI RAMESH CHENNITHALA (Kottayam) : We have implemented it long back in Kerala.

SHRI ANIL BASU : I am coming to that. In 1958, Namboodripad Government came to power in Kerala also. So, Kerala has some history and tradition. Sir, in the areas where there is a Left and Socialist thinking there is an orientation. So, in these areas we see that land reforms have been implemented seriously. In West Bengal, we distributed 13 lakh acres of land to the Scheduled Castes, Scheduled Tribes and poorer sections of the peasantry. But in West Bengal some few lakh acres of land could not be distributed because it is held up in the High Court and other courts. So, land reforms are a central agenda. It should be a central agenda for Agricultural Policy. But the Agricultural Policy of 1992 has not taken care of that. The land reforms have been given a go by. Everybody is coming; the multinationals are coming and they are telling the people, give us land, we will go for plantation, fisheries marine product foods, the prawn culture, etc. In the name of investment, they are taking away the life and livelihood of millions of Indian people. What has happened in Andhra Pradesh? In Tamil Nadu and Andhra Pradesh, lakhs and lakhs of fishermen are not able to earn their livelihood because most of the coastal areas have been leased out to the big companies and the multinationals. The life and livelihood of the traditional fishermen who are living by the side of the sea shore and earning their livelihood for centuries, are

denied their livelihood. So, land reforms were not give due consideration. Land reforms are not only to give some land to some peasants but land reforms are also a process through which you can create the purchasing power of the people. You can enhance the purchasing power of the people. You can increase the productivity. In the last two-three years, the growth of production of rice is the highest in West Bengal. We have surpassed Punjab and Haryana. Why? The number of small holdings are the largest in West Bengal. About 65 per cent of the lands are retained by the peasants who are having small holdings. Some people and experts say that small holdings cannot increase the production and that it cannot increase the productivity. Whereas we, from our experience, have seen in West Bengal that from 70 lakh tonnes of rice and paddy, we have increased the production to 1,20,000 tonnes. We have also increased the purchasing power of the people.

Sir, this country is suffering from the outcome of the misrule of the Congress Party.

Sir, our present day international debt has surpassed Rs. 3,50,000 crore and we have to pay 32 per cent of our revenue towards interest. The debt equity ratio is 32 per cent. That has become a very serious thing to the economy of the whole country. Why are we going towards a debt trap? Why is the purchasing power of the people of our country so low? One of the main factors is that the toiling masses do not have the land and, therefore, they cannot increase their purchasing power. Somehow, we have distributed surplus lands in West Bengal and the purchasing power of the people has been increased. That is why, we see that there is an atmosphere of industrialisation in West Bengal. We see that, taking the whole country as a whole, land reforms have been neglected for the last 15 years and it is neglected till date. So, one of the major thrusts of the New Agricultural Policy should be to bring in land reforms.

Next comes the question of irrigation. According to the statistics, if you can irrigate one acre of land, you would be able to create employment for one hundred people throughout the year. So, irrigation does not mean only production. From a single crop, you can go up to three to four crops and this will simultaneously create employment. So, irrigation should be given top priority, if you want to develop agriculture in the country.

We have a lot of natural resources; we have big rivers, we have great rivers and surface water is available abundantly in our country. Such type of abundant surface water is nowhere available in the world. In Europe and America, there is a time in a year when the whole land is covered under snow, and you cannot grow anything there. India is a great country. We have vast natural resources, big mountains, big rivers, huge surface water, and underground water. But there is no proper planning to tap these resources, to utilise these resources in a proper perspective for the development of the country.

What is happening now-a-days? This new Economic Policy, of which Shri Chennithala is a great champion ... (Interruptions)

SHRI RAMESH CHENNITHALA : Why do you not talk about Shri Jyoti Basu? He is implementing this programme.

SHRI ANIL BASU : I will speak about Shri Jyoti Basu later on. We are not a Republic of West Bengal.

What is happening now? Water is a natural resource of the country and it is not a resource of the individual. When we speak about the ownership of land, we are talking about individuals. But when we speak about water, it is a natural resource of the whole country. What is happening now? If you have money, you can tap that resource at your own will.

MR. CHAIRMAN : You have taken half-an-hour. I am only reminding you.

SHRI ANIL BASU : This is my second point and I have many more points.

MR. CHAIRMAN : I am only reminding you. That is all.

SHRI ANIL BASU : I humbly submit to you, Sir, that I will abide by whatever you decide.

MR. CHAIRMAN : I am only reminding you. Please carry on.

SHRI ANIL BASU : With all respects to you, Sir, I will abide by whatever direction you give.

What is the impression or what is the thrust of the Agricultural Policy of 1992 as well as the new Economic Policy, so far as utilisation of resources for irrigation, which include both surface water and subsoil water, is concerned?

If you have capital and if you want to invest, you can tap the whole national resources of our country at your own will. That is dangerous. Sub-soil water is not the property of any individual. It is the property of the whole country. If any individual has money, if he is allowed to tap sub-soil wealth, then naturally it will create problems in other areas. It will create problem in the areas where drinking water is necessary. Longterm tapping of sub-soil will create problems in those areas. Who is going to take it up? Because of the new economic policy and the New Agricultural Policy of 1992, there is only one direction. If you have capital, you invest if you want. So, the irrigation and the use of the surface water and sub-soil water should be planned in such a way that it can be effectively used for the development of the whole agricultural sector, not for any individual.

In West Bengal also, we have seen nowadays that somebody has put up some energised mini DTW and he is drawing water from the sub-soil and in the adjoining areas. There is a crisis for drinking water and he does not care for that. He sells water to others and the other peasants who are small peasants, who do not have money to invest, what would they do? They would lease

out their land to this moneyed man. If you have money, if you have a small portion of land, you go and just put one mini DTW or dig a tubewell. Just tap the whole underground water and sell it and if others want to share your water, you compel them to lease out their land to you and, in the process, the whole confrontation takes place. Now the trend has reversed. The whole concentration of land is taking place again. So, the second thrust areas of the new economic policy should be proper planning and management of the sub-soil and surface water.

My third point is the development of technology and science. Immense development took place in science and technology. But we have to utilise this science and technology to the benefit of our people and in the agricultural sector, the thrust of the benefit should be small, marginal and middle strata of farmers. Our policy should be framed on this outlook. More than 75 per cent of the peasantry, how they would be benefited, that should be the thrust of our policy. But what is the thrust of the new economic policy and the agricultural policy of 1992? They invited technology and investment without caring for the people and, in the process, the whole rural sector, the small, marginal and middle peasantry, are ruined. There is more unemployment in the rural areas. That is why, my submission to this House is that the thrust of the technology should be such which can be adopted by the small, marginal and middle strata of the peasantry. It should be low cost technology. It should be labour-intensive technology. So, labour-intensive, low cost, area specific technology should be our thrust area to give our agriculture sector a boost.

The next point is about the setting up of cooperatives and service societies. That should be encouraged because if the majority of the peasantry has to compete with the multinationals, with the private big business house, how would they be able to compete? So, the cooperative society is the answer, the service society is the answer. If small, medium and marginal farmers are encouraged to bring their holdings together, that will help. Consolidation of holdings is another thing. Consolidation of holdings of poor, small and marginal farmers voluntarily should be there. If they form cooperatives and service societies and if the Government helps them by providing credit and other inputs including electricity, then the society could be very useful for the benefit of the majority of the farmers of our country. Our farmers can fight the multinationals and the big business houses which are making intrusions into the agricultural sector.

My next point is about marketing and processing facilities. That should also be there...*(Interruptions)* Marketing and processing facilities should be set up and Government should encourage setting up of marketing and processing facilities in the agricultural sector in the rural areas.

The next aspect is about development of bio-technology and other technologies in regard to

agriculture and how that technology can be transferred to the farmers. In the name of farmers, it should not be extended to the rich farmers or the landlords but it should be extended to the majority of the farmers who are small, medium and poor farmers. That aspect should be looked into by the Government. So, the Government investment should be there instead of the private investment.

Sir, during the discussion in the House on drought and floods, the hon. Prime Minister has also announced something. But I think that should be given a very comprehensive outlook, a comprehensive thinking and a new Agriculture Policy should be framed on that comprehensive line.

Credit is another problem. Now, if you want to give a boost to agriculture, credit should be made available to the farmers. But after the Bank Report, only 20 per cent of the credit is earmarked as credit for the priority sector including the agriculture sector. The credit flow to agricultural sector is coming down; investment is coming down. Even credit is not given. Nowadays, without a credit, it is very much impossible for a farmer to go for a crop because each and every crop would require higher investment. The United Front Government has taken a very bold step. They have again subsidised fertilizers which was taken away by the Narasimha Rao Government. In the Eighth Plan Mid-Term Appraisal Report - you will find that it is not our document, it is the document of the previous Government - what happened was, as the price of urea was much less, after the withdrawal of the subsidy, the utilisation of urea, potassium and phosphatic fertilizer came down resulting in a serious situation in agriculture. Now that trend has been reversed. After the United Front Government came to power, they announced subsidy on fertilizers. They re-introduced subsidy on fertilizers. I thank them for that.

Whatever development in agriculture you want to take up, it requires investment. So the investment should come from the nationalised banks, investment should come from the Government's planned investment. Here the direction is opposite. During Shri Narasimha Rao's time, thousands of crores of rupees were mis-utilised or misappropriated by Ministers and higher-ups in Government. They are all linked up. Nobody cares for the development of the country; nobody cares for the development of the poor people, only lip-service is provided. These are the major areas on which a thrust should be given. These are the areas which were neglected in the 1992 agricultural policy. If this is not being given proper care, I am afraid in future our country would become a Banana Republic. Whatever exports we are making by exporting Basmati rice or the other new areas of sea food, what is the truth? In 1994, we had the record production of 184 million tonnes of foodgrains. If the average growth in agriculture is two per cent, as has been said by the Planning Commission and experts, our requirement of the foodgrains at the end of the century would be around 210 million tonnes. And our production would be 196 million tonnes. There

will be a shortfall of 14 million tonnes at the end of the century. We have to take proper care and attention of this vital area. My recommendation to this House and to the Government is to come before the House with a comprehensive new agricultural policy which would benefit the majority of the peasantry of our country including small, marginal and middle farmers, which would benefit the economy of our country, which would bring prosperity to the millions and millions of rural people, which would create employment in the rural areas and which would boost up India's agricultural and would protect Indian agriculturists against the onslaught of multinational corporations.

MR. CHAIRMAN : Motion moved :

"That this House urges upon the Government to formulate a new Agricultural Policy, to protect the interests of Indian agriculture and agriculturists and to increase productivity."

[Translation]

SHRI CHHATRAPAL SINGH (Bulandshahar) : Mr. Chairman, Sir, the views expressed by Shri Basu regarding the New Agriculture policy are very appropriate in the present scenario. During the regime of previous Government also, the Agriculture policy was discussed. That Government had promised to implement it, however it did not fulfil its promise and instead, kept the nation in the dark. No effective steps were taken regarding the Agriculture policy. Just now, my colleague, Shri Basu was talking about land reforms. It is true that land reform measures have not been implemented even after fifty years of Independence. The Ceiling Act is applicable to small farmers only. If you happen to go to Terai region of Uttar Pradesh or Bihar or West Bengal or Orissa, you will find that people have got thousands of acres of farms. These farms are infact, built on 'benami land'. These land owners are not covered under the purview of Ceiling Act and the small farmers, who themselves toil in their fields, find to their dismay that the size of their holding is getting smaller. Farming is the sole means of livelihood for a farmer and his land is getting divided among his heirs and as a result thereof, unemployment is on the rise. Just before the discussion on this Bill, a Bill on Unemployment was being discussed. The Unemployment can be eradicated only when after the implementation of the Ceiling Act, the surplus land and wasteland is given to the unemployed. There are a large number of unemployed people and I feel that they could be provided with employment opportunities. It is the misfortune of the country that 82 per cent farmers have only 50 per cent of the total land and 18 per cent farmers have the remaining 50 percent of the land. The majority of farmers have only 50 percent of the land and the capitalists who own the land constitute only 18% of the total land owners and they have 50 per cent of the total cultivable land. Only 32 per cent land of our country is cultivable and out of that, only 14 percent is irrigated whereas the rest of the cultivable land is unirrigated. We are dependent upon Monsoon. The Government has not been able to provide

the sources of irrigation for the farmers of the country. The Government has developed a canal system. Water of River Sharada, other rivers and Bhakhra dam is taken to the fields through the canals. Besides, the farmers have developed their own system of irrigation i.e. tubewells. They cultivate through that system but the ceiling is uniform on both. In the new Agriculture policy, some provisions should be made in this regard to differentiate both kinds of the irrigated lands i.e. such land which is irrigated by farmers' own sources and other which is irrigated through Government sources.

Secondly, there are abundant resources available in this country. A lot of rainy water becomes the cause of destruction in the form of flood and then flows into the sea but we are not able to irrigate our land with that water because we have not made any arrangements for its management. Many Governments have come and gone in this country. People shouted slogans in the name of farmers but interests of farmers have never been safeguarded. I would also like to submit before this august House that most of the Members are elected with the support of the farmers but they forget to raise the issue of farmers here. Out of the total Members, only five per cent of them have elected from urban areas and remaining 95 percent Members have been elected from rural areas. In spite of that welfare schemes have not been formulated for the farmers.

So far as the availability of seeds is concerned, good quality seeds are not made available to the farmers and if these seeds are provided these are made available on high prices. Multinational companies are entering into our country which are making available seeds of brinjal and tomato but you will be surprised to know their prices. These companies sell these seeds at the rate of Rs. two thousand to four thousand per k.g. I have also come to know that even these seeds are being sold at the rate of Rs. 5-6 thousand to Rs. 18,000/- per k.g. Besides this, a condition is imposed that the farmers cannot sow these seeds again in their fields. They will have to purchase new seeds every time. In this field also our scientists have not evolved good quality seeds. Earlier, it was due to hard work of Agricultural scientists that green revolution had took place in the country but after that our country has not made any remarkable progress in this field.

The hon'ble Member Shri Basu had just been talking of fertilizers. Even today, we import potash which costs Rs. 100 more. 90 per cent supply of superphosphate is made by import while domestic production is only 10 percent. We are also importing neptha which is a basic item for making urea. In fact we have not yet become independent in the field of fertilizers. Our Prime Minister claims to be the well wisher of the farmers. He made an announcement that farmers will now get each bag of DAP cheaper by Rs. 100 but they are getting a benefit of only Rs. 50. Farmers in our country did not get this benefit and the announcement made by the Prime Minister proved a failure and he bowed before the traders. Traders of this country are looting the farmers. Not only this, some such substances are added

to the fertilizers which are not useful to the crops. Thus, the farmers are being supplied with adulterated fertilizers. Hence, I would like to submit that there is no provision in the agricultural policy to bring to book those who are supplying adulterated fertilizers. There is no provision to take action to close down their firms. Therefore, I demand that there should be some provision for that in the new agriculture policy.

So far as the crops of the farmers are concerned these crops are destroyed in the calamities but they are not compensated for that. Recently, a cyclone occurred in Andhra Pradesh due to which the paddy crop was destroyed there but the farmers will not be compensated. If the Government will give them compensation it will be given at the rate of Rs. one hundred or two hundred per acre only. Therefore, I am of the view that the rules regarding revenue should also be amended. If the whole crop of the farmers is destroyed they should be fully compensated. Therefore, it is very necessary to implement crop insurance scheme in this country. Had the crop insurance scheme been implemented, justice would have been done with the farmers of Andhra Pradesh today and they would have been given full cost of their crop.

So far as the matter of pricing of agricultural products is concerned, gross injustice is being done against the farmers. They have not been given remunerative prices for their products for the last 50 years. We do not reckon the cost price and the basic price of the agricultural products whereas in case of factory products we reckon capital money also. We consider farmers' land as their capital money. They are not given interest. In the case of farmers they have to bear running cost also. If we work out its total, we will find that today, no Government have paid even their wages.

A mention has just been made about the price of Sugarcane. No such policy has been made in this country under which action can be taken against those mill owners who purchase their crops but do not pay them due price. There is no such person or any bank in this country which give loan without any interest.

Not to speak of interest sometimes farmers are not being paid the cost of their product which they had sold even upto two years. I would like to submit that a provision should also be made in the agriculture policy that if an industrialist or mill owner purchase the farmers' crop but do not make payment within a month or prescribed time limit, he will have to pay interest also to the farmers at the bank rate.

Now, I would like to speak on agricultural loan. Percentage of bank loans being given to the farmers is very less. Our nationalised banks provide only 16 percent loans to the agriculture sector. Remaining 84 per cent loan is being given either in the urban areas or to the industries. Here, we talk of the upliftment of the farmers. If a factory owner is given loan to set up a factory his machines are mortgaged but when loan is

given to a farmer, not only his tractor but his land is also mortgaged and if he is not in a position to repay his loan, his tractor is seized and brought to the Tehsil. Such type of injustice is being committed against the farmers. The chasis of the tractor is not mortgaged. Therefore, I demand that the Government should think over the injustice being committed against the farmers and provisions should be made in the new agriculture policy to see that the farmers get justice.

Horticulture is such source in this country which can uplift the standard of living of the farmers. Though, the Government wants the farmers to take interest in Horticulture but it is not ready to provide any facility which can attract them towards Horticulture. A Horticulture Board was constituted but its office was opened in Haryana because Jakhar Saheb was the Minister of Agriculture at that time. But farmers are not aware of the fact that there is a Board which is working for the cause of the farmers. The farmers have no contacts with this Board. I would like to submit that publicity be made about this Board and its functions so that farmers can be made aware of the schemes of the Board.

Besides this, farmers should also be got informed about the methods to be adopted by them for taking their fruits and vegetables to the wholesale markets of Delhi and also to export these products. When the farmer takes his produces like mango, guava or cheeku in the market, traders begin to loot him. When he brings his mango crop in the market of Delhi it is purchased at the rate of Rs. 10 per k.g. but the same mango is sold out to the consumer at the rate of Rs. 30 per kg. Similarly, these traders sell cheeku at the rate of Rs. 20 per kg which they purchased at the rate of Rs. 2 per kg. from the farmers. Brokers take this benefit and farmers are not given reasonable rates for their products. There should be such provision in the new agriculture policy under which farmers get 85 per cent of the cost of the agricultural products being sold to the consumers. There should be some provisions in the new policy to stop the three to ten times profit which is being earned by the traders.

There is a drawback in the agricultural marketing. I have seen the wholesale markets of Delhi that when farmer brings his products in these markets then the traders who purchase it have an under-hand and tell the farmer that his product is being sold at the rate of so and so. But farmer does not know anything because bid did not take place. All this is happening under the very nose of the Government. It is a matter of shame that the 'Azadpur Mandi' which is one of the major agricultural wholesale markets of Northern India is the main place to loot the farmers. Such practices should be stopped. Had the Agriculture Minister been here, he would have noted all these things and these drawbacks could have been removed.

SHRI RAGHUVANSH PRASAD SINGH : We are removing them.

SHRI CHHATRAPAL SINGH : Thanks for removing these drawbacks.

Today, we are exporting rice. We are talking of Agriculture policy but the Government is not providing any incentive to the farmers for exporting agricultural products. Today, rice is being exported by traders and not by the farmers. After purchasing rice from the farmers it is processed and then given the trade marks as Chand Mark, Tajmahal mark and Lal Quilla Brand etc. I have not heard any trade mark in the name of the farmer. When the farmer goes anywhere to obtain licence, the bureaucrats do not issue him the licence.

Licence should be provided to the societies of farmers and there should be such a provision in the agriculture policy that if a farmer demands a licence for the export of his produce directly, he could get it easily.

I would also like to give some suggestions. Consolidation of holdings had not been done in many States of the country. I belong to U.P. Consolidation of holdings was done there. After that, the land of the farmer got consolidated and he developed the means of irrigation and things become easy for him. He did not have to go to 10 different fields. If consolidation of holdings is done smoothly and expeditiously, there would definitely be development of agricultural land and production would also increase.

Secondly, there is another sector of unemployment. There is vast waste land in the country. If one happens to travel by train, one would find agricultural plots of lying unused upto a distance of 10 Kms. Farming is not being done there. No one is paying any attention to it. Though it is a State subject, yet if 10 or 15 acre of land could be allotted to the unemployed and financial aid would be given to them for five years then it will prove a double benefit for them. This will help unemployed youth to get employment and the agricultural land lying unutilised for years will be utilised for agricultural production. Further, there will be some improvement in the environment also.

Shri Basu was talking about purchase capacity. In this context, I would like to say that until the purchase capacity of the villagers increase, no industry can flourish in this country. Every consumable item is being used in villages. I am not talking of Heavy Industry. All things like bicycle, scooters, cloth, soap, blade and other things being manufactured in the small scale industries are consumed mostly in villages. Therefore, unless the purchase capacity of villagers increases, these industries cannot develop. We should increase the purchase capacity of the villagers for the development of these industries. This will be possible only when the agriculture will develop and the farmers will get reasonable prices for their produce, get seeds, fertilizers and water in time and their exploitation will stop in the real sense.

With these few suggestions, I conclude. Basu ji has raised this issue on agricultural policy in an appropriate

time. I associate myself with the views expressed by Shri Basu and conclude.

SHRI RAMESH CHENNITHALA : Mr. Chairman, Sir, at the outset, I would like to congratulate my distinguished and hon. friend, Shri Basu for bringing forward this very vital issue before this House.

Sir, agriculture is the backbone of the Indian economy. Agriculture continues to provide employment and income for two-thirds of Indian population. We cannot achieve real economic development, without agricultural development. For increasing the standard of living of the people, agricultural development is a must; for alleviating poverty, agricultural development is a must. If you want to ensure food security, agricultural development is a must. If you go into the details of Indian exports, we would be able to see that Indian agricultural exports have definitely increased to a great extent in the recent past.

If you look at China, which is an agrarian society and predominantly an agricultural country, tremendous expansion of industry and exports took place over the last seven or eight years. This was built up because of agricultural revolution. So, every economy which is based on agriculture should perform well. Without agricultural development, we cannot achieve social justice and economic development.

Now India is in a phase of liberalised economy. We are in the path of globalisation; and our economy has been liberalised. Definitely we have to formulate strategies to have market access. More export-oriented programmes have to be adopted by the Government so that it would help the Indian farmers for achieving more productivity and would promote broad-based agricultural growth. It is necessary to increase the growth rate of the Indian economy.

I am happy to note that India has become self-sufficient as far as food is concerned. Earlier, we were mostly dependent on PL-480 and other things. We were at the mercy of so many developed countries. In spite of whatever my friend, Shri Basu says, India became self-sufficient in foodgrains only because of the policies and programmes adopted by the Congress Government. In India, of course, there is poverty about which I agree. Our population is growing at a much faster rate. India has achieved a lot in agricultural development. We are not at the mercy of the developed countries, we are self-sufficient. For this, the toiling masses and the Indian farmers are to be appreciated. They have done a tremendous work and they are to be congratulated.

The total agricultural production of China is 450 million tonnes which is having only little cultivable land compared to India. India's total agricultural production is only 196 million tonnes. But we have more scope for increasing our production. We have to make uncultivable lands into cultivable lands. We can further increase our production. With much more effort in the coming years, we can increase our productivity. We have to put more efforts for this.

Indian agriculture is based on age-old technology. Now modernisation is a must and without modernisation, we cannot increase productivity. The plight of the Indian farming community is very pitiable. The Indian agriculturists are mainly dependent on monsoon. There are modern techniques available for giving information about the monsoon. But the farmers who are living in a very pitiable condition in the villages are not getting proper information about the modern facilities.

If forecast and other information will be made available to the farmers, they can perform as well as any other farming community in the world. Recent floods, drought and all other natural calamities are affecting our farmers very badly. So, concrete steps should be taken and advance information should be provided to the Indian farming community so that they can do well in this field.

About investment in agriculture, my friend, Shri Anil Basu was speaking in detail. Investment in agriculture, both private and public, is coming down. So, the need of the hour is to increase investment in agricultural sector. About the nature of economic reforms and restructuring Indian agriculture, I would like to quote Prof. Hanumantha Rao.

"...should be oriented to capacity augmentation through increased public investment and restructuring of institutions so as to induce greater private investment and effort basically towards improved utilisation of available capacities through deregulation and marketisation as attempted in China."

More investment should come - private and public investments-should come in agricultural sector. Only then we can modernise and impart modern technology to our farming community. Of course, the Government has taken a lot of efforts for increasing investment in agricultural sector. But still more efforts and investment should be made in this sector.

There is a steep increase in the case of agricultural exports. As Shri Basu has rightly pointed it out, we are living in changed conditions now. The scenario of liberalisation, after the Uruguay Conference, the GATT Agreement and WTO, has changed a lot. Now there is globalisation. More markets are available. Competitiveness is there. The Indian farming community has to compete with the world market now. When we are increasing our production, we have to sell out also. Marketability is the most important impediment which is coming in our way. So, we have to find out the markets. Mr. Basu was critical of the GATT Agreement, WTO, etc. There are some apprehensions. What are the apprehensions? There was an apprehension that it will enable us to reduce subsidy and phase out the PDS; there will be compulsory opening of agricultural imports and the traditional right of farmers to retain and exchange of seeds might be constrained. Our practical experience is that after the WTO has come into existence, these apprehensions have proved to be incorrect. They

are not existing now. I am speaking regarding subsidies, phasing out of PDS, etc. The traditional right of farmers to keep and exchange seeds by passing the act of *sui generis* by this Parliament will not affect us. So, these apprehensions are not correct. We have to look at the positive points of the WTO and agree with them.

Indian agriculture is developing. We are increasing our foodgrains. When we are increasing our agro-products, they have to be marketed. By this GATT Agreement and WTO, we are able to approach or sell our products in different markets. Now the markets are open for us and we are able to compete. Competitiveness is a must and the quality also has to be maintained.

You are saying about multinational companies. It is a political matter and I do not want to go into that controversy. But every State Statement is adopting liberalised policies and economic reforms are already accepted by all the parties and almost all the Governments are inviting multinationals to invest in their States in different core sectors. Multinational companies are coming and investing their capital in different sectors. Now, the world is accepting it. We cannot be isolated just like Myanmar. Myanmar was a closed economy and China was also a closed economy.

18.00 hrs.

We cannot follow the paths of China and Myanmar. Interestingly, you know that China has applied for membership of GATT. It is a good thing. The Chinese have opened their doors for economic liberalisation. Actually, they are inviting multinational companies and other foreign agencies to invest in their country. A sea-change can be seen in the world economies.

I do not know why only in Parliament, my distinguished friends, like Shri Basu and other hon. Members of the CPM, are always critical of liberalised economies and economic reforms.

But, in practice, they are better doing than what we do.

SHRI ANIL BASU : It is because of the crisis of balance of payments in our country that we are having some opportunity now. But that is only for two or three years.

SHRI RAMESH CHENNITHALA : My point is different. Every political party in our country is accepting that. The world scenario wants that.

MR. CHAIRMAN : Shri Chennithala, now it is six o'clock. Since you are on your legs, you can speak next time also. Now the House stands adjourned to meet again on Monday, December 2, 1996 at 11.00 a.m.

18.01 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, December 2, 1996/Agrahayana 11, 1918 (Saka).

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