

# **LOK SABHA DEBATES**

## **(English Version)**

**Fifth Session**  
**(Eleventh Lok Sabha)**



*(Vol. XVI contains No. 11 to 17)*

**LOK SABHA SECRETARIAT**  
**NEW DELHI**

*Price : Rs. 50.00*

## **EDITORIAL BOARD**

Shri S. Gopalan  
Secretary General  
Lok Sabha

Shri Surendra Mishra  
Additional Secretary  
Lok Sabha Secretariat

Shri P.C. Bhatt  
Chief Editor  
Lok Sabha Secretariat

Shri A.P. Chakravarti  
Senior Editor

(Original English Proceedings included in English Version and Original Hindi proceedings included in Hindi Version will be treated as authoritative and not the translation thereof.)

## CONTENTS

*(Eleventh Series, Vol. XVI, Fifth Session, 1997/1919 (Saka)*

*No. 13, Friday, August 8, 1997/Shravana 17, 1919 (Saka)*

SUBJECT	COLUMNS
HOMAGE TO MARTYRS OF FREEDOM MOVEMENT . . . . .	1
ORAL ANSWERS TO QUESTIONS:	
*Starred questions Nos. 241-243 and 245-246 . . . . .	1-24
WRITTEN ANSWERS TO QUESTIONS:	
Starred Questions Nos. 244 and 247-260 . . . . .	24-43
Unstarred Questions Nos. 2650-2879 . . . . .	43-257
PAPERS LAID ON THE TABLE . . . . .	257-262
PRESENTATION OF PETITION . . . . .	263
BUSINESS OF THE HOUSE . . . . .	263-266
RE: ALLEGED ATTEMPT TO CREATE VIOLENCE BY SOME ELEMENTS IN UTTAR PRADESH . . . . .	267-284
DISCUSSION UNDER RULE 193 . . . . .	284-296
NEED FOR STREAMLINING THE PUBLIC DISTRIBUTION SYSTEM	
Shri Anant Gangaram Geete . . . . .	285-287
Shri I.K. Gujral . . . . .	287-289
Shri Mahendra Singh Bhati . . . . .	289-292
Shri C. Narayana Swamy . . . . .	293-294
Shri Ram Kripal Yadav . . . . .	294-296
Shri Ram Bahadur Singh . . . . .	296
MOTION RE: ELEVENTH REPORT OF THE COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTION . . . . .	297-298
PRIVATE MEMBERS' BILLS-INTRODUCED . . . . .	298-302
(i) High Court of Gujarat (Establishment of a Permanent Bench at Rajkot) Bill . . . . .	298
(ii) Siddeshwar National Technical University Bill . . . . .	298

---

\*The Sign + marked above the name of a Member indicates that the question was actually asked on the floor of the House by that Member.

SUBJECT	COLUMNS
(iii) Constitution (Amendment) Bill (Amendment of article 311) . . . . .	298-299
(iv) Constitution (Amendment) Bill (Amendment of article 58, etc.) . . . . .	299
(v) Constitution (Amendment) Bill (Insertion of New article 151 A, etc.) . . . . .	299
(vi) Compulsory Physical Education and Sports Bill . . . . .	300
(vii) Constitution (Amendment) Bill (Insertion of new article 9A). . . . .	300
(viii) Constitution (Amendment) Bill (Insertion of new article 31) . . . . .	301
(ix) Constitution (Amendment) Bill (Insertion of new article 74 A, etc.) . . . . .	301
(x) Constitution (Amendment) Bill (Substitution of new article for article 48 (A). . . . .	301
(xi) Constitution (Amendment) Bill (Amendment of article 239 AA). . . . .	302
(xii) Jamia Millia Islamia (Amendment) Bill (Amendment of Long Title etc.) . . . . .	302
ABOLITION OF BEGGING BILL. . . . .	303-327
Motion to Consider	
Shri K. Parsuraman . . . . .	303-304
Prof. Ompal Singh 'Nidar' . . . . .	304-308
Shrimati Bhagwati Devi . . . . .	308-310
Shri Satya Pal Jain . . . . .	310-312
Shri Hannan Mollah . . . . .	313-315
Shri Nandkumar Sai . . . . .	315-317
Shri Suresh R. Jadhav . . . . .	317-318
Shri Dwaraka Nath Das . . . . .	318-320
Shri Girdhari Lai Bhargava . . . . .	320-321
Shri Prabhu Dayal Katheria . . . . .	321-322
Dr. Shafiqur Rahman Barq . . . . .	322
Shri Balwant Singh Ramoowalla . . . . .	323-327
PRIVATE INVESTIGATORS BILL . . . . .	327-332
Motion to Consider	
Shri Amar Pal Singh . . . . .	327-331
Prof. Raza Singh Rawat . . . . .	331-332



# LOK SABHA DEBATES

## LOK SABHA

Friday, August 8, 1997/Shravana 17, 1919 (Saka)

*The Lok Sabha met at Four Minutes Past  
Eleven of the Clock*

[MR. SPEAKER in the Chair]

### HOMAGE TO MARTYRS OF FREEDOM MOVEMENT

MR. SPEAKER: Hon. Members, this House observe in solemnity today, the 55th anniversary of the Quit India Movement.

As you are aware, on 9th August, 1942, the leaders of the freedom struggle, under the guidance of Mahatma Gandhi, gave a clarion call to the men and the women, the young and the old, the rich and the poor from all parts of the country to launch the Quit India Movement to liberate the country from the yoke of alien rule and for ushering in *swaraj* and sovereignty. Mahatma Gandhi exhorted them to do or die for freedom. The entire nation rose like one entity and resolutely resisted the repression that followed. The unique struggle was characterised by non-violence. The twin tools of *ahimsa* and *satyagraha*, espoused by Mahatma Gandhi, were adhered to even in the face of grave provocation. This determination shook the foundations of the colonial rule and sounded its last post.

The sacrifices made by the freedom fighters ultimately led to the dawn of freedom on the horizon of India. It is our sacred duty to pay respectful obeisance to the memory of all those patriots. We can endeavour to repay our debt to them by strengthening the unity and integrity of the country.

The House may now stand in silence for a short while in memory of the martyrs of freedom movement.

11.05 hrs.

*The Members then stood in silence for a short while.*

*(Interruptions)*

MR. SPEAKER: Do not raise any slogans please.

11.06 hrs.

### ORAL ANSWERS TO QUESTIONS

[Translation]

#### Fifth Pay Commission

\*241. SHRI BHIMRAO VISHNUJI BADADE:

SHRI ANAND RATNA MAURYA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received the Fifth Central Pay Commission's recommendations;

(b) if so, the broad features thereof;

(c) whether the Central Government employees have shown their resentment over some of the recommendations and have also threatened to go on indefinite strike;

(d) if so, the reason therefor alongwith the demands made by these employees; and

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

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) The Fifth Central Pay Commission submitted its final Report on 30th January, 1997 to the Government. The Commission has made wide ranging recommendations covering all aspects of service conditions like pay, allowances, leave entitlements and retirement benefits, etc. of the employees of Central Government/Union Territories, including the Armed Forces personnel. Some Associations/Unions of the employees have represented to the Government against certain recommendations of the Commission. The representations are mainly against the scales of pay for certain categories of employees, pay-fixation in revised scales of pay, rate of increments, abolition of posts, etc. The Government have decided to resolve certain urgent issues on a Fast Track basis and other issues through the normal, established procedure.

[Translation]

SHRI BHIMRAO VISHNUJI BADADE: Mr. Speaker, Sir, it appears that the reply of the question number 241 given by the hon. Minister is not upto the points. In this question I have sought the information about the salient features of the recommendations of Fifth Pay Commission and the benefits to be given to the employees. This country is being governed on socialist pattern. Newspapers are reporting for quite some time that DANICS, Subordinate Services and many other employees are going on strike. On the one hand some categories of officers and employees are proposed to be given favourable treatment and on the other hand all the employees of class-IV category and employees working in the Secretariat are not proposed to be treated

so favourably. Some are getting more while others are getting less. I would like to know the stand of the Government in this regard.

Secondly, I would like to submit that the Fifth Pay Commission has recommended House Rent Allowance, but it is not proper to include this amount in the salary of employees for the purpose of calculation of Income Tax. I am unable to understand why this amount is included in the Income ...*(Interruptions)* Sir, through you, I would like to request the Government to apprise this august House of the disparities noticed in the report of the Fifth Pay Commission.

*[English]*

SHRI NIRMAL KANTI CHATTERJEE: Sir, I was a Member of a Pay Commission.

MR. SPEAKER: That is why I should not give you a chance. You know too much.

SHRI P. CHIDAMBARAM: Sir, it would not be possible, in the space of an answer, to spell out the details of the recommendations. The recommendations are well known; copies of them have been placed in the Parliament Library; and it has appeared in the Press also. Therefore, I agree broad idea about what the recommendations were and I have also given an idea about the demands made by the Associations/Unions.

Sir, the Pay Commission is in the nature of an Award. It is not quite an Award, but it is in the nature of an Award. One part of the Pay Commission is in a way related to another part of the Pay Commission. We cannot look upon a Pay Commission in a disjointed manner. So, the Government, consistent with the past practice, takes the whole recommendations and broadly accepts them. While doing so, the Government pays attention to some specific demands or grievances which have been made and tries to improve upon certain recommendations in order to meet these demands.

In fact, on the Fifth Central Pay Commission, the Government has made a number of improvements. I can read out the list of improvements made by the Government, particularly for the Armed Forces Personnel, for the Central Police and Paramilitary organisations, for scientific personnel. We have also made improvements in the S-1 and S-2 scales of pay, improvements in the increments and improvement in the fixation formula. Yet there are some issues which are unresolved. A few issues have been identified. They have been sent to a Fast Track Committee. There will be anomalies affecting one or a small number of employees in each Department. These anomalies are usually resolved through the Anomalies' Committee. Each Department will try to resolve them. There is a JCM also.

Therefore, the Government believes that it has acted fairly, having regard to the availability of resources. It has made a generous offer to the employees; and we believe that we have met most of the aspirations of the employees.

However, since some demands are still outstanding, the Government has now instructed the Cabinet Secretary to once again have another round of consultations and discussions with the JCM and explain to them the package that has been offered by the Government. I hope that through this process of consultation and discussion the remaining issues will also be resolved.

*[Translation]*

SHRI BHIMRAO VISHNUJI BADADE: Mr. Speaker, Sir, through you, I would like to submit to the hon. Minister that two-four days ago Shri Pramod Mahajan raised the issue that the Govt. should make its stand clear in this regard. We are witnessing that the Government is being pressurised by the IAS Officers. It is being reported that the arrears, after the implementation of the recommendations of the Fifth Pay Commission, are going to be paid from 1996. These arrears are also going to be included in the Income for the purpose of calculation of Income Tax. The hon. Minister should tell us the details in this regard. Three-four days ago Hon'ble Shri Chidambaram stated that the Government is still holding talks with the Employees Unions, therefore, nothing could be said about the implementation of the recommendations of the Fifth Pay Commission. The Government is aware of all these things. The Government accept to demands of IAS Officers whereas the demands of other categories of employees are not accepted.

Sir, I would like to submit that an IAS Officer gets a handsome salary. His wife is also employed and she too earns a handsome salary. But the salaries of both husband and wife are taken separately for the purpose of calculation of Income tax. Why? If the salaries of both husband and wife are clubbed together then the Government will get huge, tax revenue from their income. What I want to ask is as to why the Government does not intend to do so. The hon. Minister has not yet made clear the outcome of the negotiations held between the Government and the Union on this issue despite the assurance given by him to disclose about the result of the deliberations at the earliest ...*(Interruptions)*.

*[English]*

MR. SPEAKER: You cannot go on asking questions like this.

SHRI BHIMRAO VISHNUJI BADADE: Sir, it is a very important question.

MR. SPEAKER: I know that it is very important but it is more important to be precise also.

SHRI BHIMRAO VISHNUJI BADADE: Yes, Sir.

*[Translation]*

Similar situation has been going on for year in regard to the salary of the Members of Parliament.

[English]

MR. SPEAKER: I am not allowing your question. Please sit down.

[Translation]

SHRI BHIRMRAO VISHNUJI BADADE: Mr. Speaker, Sir, the Minister should tell us about the stand of the Government on the talks held so far with Unions and by what time the outcome will be disclosed.

[English]

MR. SPEAKER: What is this? It is a sheer wastage of time.

I do not understand his question. Mr. Minister, if you have understood, you can answer.

(Interruptions)

SHRI P. CHIDAMBARAM: Government does not accept the principle that allowances should be net of taxes. We affirm the principle that all income, salary plus allowances are always subject to the tax laws of the day. Therefore, there is no question of granting allowances net of taxes and we do not accept that principle.

As regards arrears, what we have said is that the recommendations of the Pay Commission regarding pay, etc., will come into force from 1.1.1996 and the increase in allowances will come into force from 1.8.1997. As regards arrears, what we have said is that, having regard to the cash outflow this year, 50 per cent of the arrears will be kept in the GPF and will be locked in for a period of two years. It will be in the account of the employee; it will earn interest; and he may draw it after two years. We must also promote savings. I think all of us support promotion of savings. What is wrong with promoting savings?

MR. SPEAKER: Yes, Member of the Pay Commission.

SHRI P. CHIDAMBARAM: Not this Pay Commission.

MR. SPEAKER: Some other Pay Commission.

SHRI NIRMAL KANTI CHATTERJEE: Sir, may I indicate how grateful I am for giving me a chance?

I have this question. There have been three distortions ... (Interruptions)

SHRI MADHUKAR SARPOTDAR: Sir, he should not get a chance being a Member of the Pay Commission.

MR. SPEAKER: I will also give you a chance.

SHRI NIRMAL KANTI CHATTERJEE: Member of what? I am not a Member of either Shiv Sena or Maharashtra Pay Commission!

MR. SPEAKER: Please put the question now.

SHRI NIRMAL KANTI CHATTERJEE: There are at least three kinds of distortions. My question would be whether I am right in my understanding and if so, what

the Government proposes to do or has already proposed to do.

Coming to distortions' part, the principle of a new Pay Commission is to always take into account the dearness allowance, merge it with the basic and then try to fix the basic pay at the new stage. The problem arises here. Firstly, a distortion takes place when you fix the scale and increment rate within that scale. If the increment rates are not in terms of the dearness allowance or consumer price index, then there is a real reduction in the increment rate. This has happened in the new scales proposed. This is one distortion. The second distortion is...

MR. SPEAKER: That is the problem with knowledgeable people who cannot come to the question.

(Interruptions)

SHRI NIRMAL KANTI CHATTERJEE: What has happened is, they talk of disparity.

MR. SPEAKER: I have to give others also a chance.

SHRI NIRMAL KANTI CHATTERJEE: I will just conclude. The disparity between the lowest and the highest employees has arisen because of the consumer price index. In the course of the recommendations of the last Pay Commission, they said that in certain cases, it would be 100 per cent neutralisation and in certain other cases, it would be 70 per cent. The consumer price index is that of the industrial working class. The top brackets are not affected by that. The prices of durable consumer goods come down. Prices of watches come down. The consumer price index of industrial working class do not reflect the increase in cost.

[Translation]

SHRI BHIMRAO VISHNUJI BADADE: Do not allow him to distort the Question Hour.

MR. SPEAKER: I am reiterating time and again.

[English]

I cannot be teaching here.

SHRI NIRMAL KANTI CHATTERJEE: Therefore, the second distortion is in terms of disparity.

MR. SPEAKER: You cannot go on speaking on distortions, therefore, you are distorting the whole Question Hour.

SHRI NIRMAL KANTI CHATTERJEE: The third distortion is a matter of policy. There is a distortion between different kinds of services like the college teachers, the research workers, the IAS, the engineering services and the IFS.

That is a matter of social point of view whether or not distortions are taking place. What does he take into account? ... (Interruptions) Sir, I am brief on my point.

SHRI P. CHIDAMBARAM: It is possible to explain these

technical matters but only across the table. It is not possible to explain this in the space of an answer.

MR. SPEAKER: Yes, you can do it individually but not in the Question Hour.

SHRI P. CHIDAMBARAM: But let me respond very briefly. It is not correct to say that there is any distortion in the scales of pay. The replacement scales have been recommended by the Pay Commission after applying a particular formula. I believe that the formula is broadly correct and justified. Three other Members constituting a Pay Commission can agree upon one formula. The point is that three Members of the Pay Commission have agreed upon a formula and the formula appears to be broadly correct and just. However, Government, having regard to the demands made by a section of the employees, particularly the ones in the S-1 and S-2 scales, has improved the increments and has improved the scales by allowing S-1 and S-2 a starting point which is higher than the lowest of the scale and the increments have also been revised.

I can plot it on a graph and show that the increments recommended by the Fifth Pay Commission on a graph, level by level, is higher than the increments recommended by the Fourth Pay Commission. Nevertheless, we improved even upon those increments and gave them higher increments. Therefore, I do not believe that there is anything basically wrong in what Government has done about the scales of pay and the increments.

SHRI NIRMAL KANTI CHATTERJEE: It is not adequately higher.

SHRI P. CHIDAMBARAM: This is a matter of availability of resources and how these resources have to be applied. The point is that the burden of this Pay Commission today in implementing the recommendations of this Pay Commission is an additional Rs. 8,000 crore per year. The salary bill of the Government for civilians was Rs. 20,000 crore, for the Defence Services about Rs. 7,000 crore. The total comes to Rs. 27,000 crore. The implementation of recommendations of the Pay Commission will cost an additional amount of Rs. 8,000 crore a year.

Since the Pay Commission has not, in our view, accurately computed the cost of commutation and gratuity and improvements made, it adds another Rs. 1,800 crore. The total burden now is Rs. 27,000 crore plus Rs. 10,600 crore is the incremental burden per year. This has immediately got implications for the State Governments whose salary bills altogether is one-and-a-half times the salary bill of the Central Government. The salary bill of the Central Government in any year now is approximately Rs. 37,600 crore.

While we can debate it, we must also—I appeal most humbly—have regard to the fact that there are claims of Defence, there are claims of the social sector, there are claims for education, there are claims for health and there are claims for investment. Having regard to all this, we

believe that the package offered is generous.

The last point raised is about parity. The parity at the end of the Fourth Pay Commission was 1:10.7. As a result of the improvements made by the Government of India, the Fifth Pay Commission reiterated that parity should be 10.7. As a result of improvements made, the parity factor pre-tax is 1:10.2 and the parity factor post-tax is 1:7.74. Now, 1:7.74 post-tax, we believe, is a fair parity.

SHRI JASWANT SINGH: Mr. Speaker, Sir, I will be very brief. My question is specific. The Government is the largest employer in the country. The Centre and the States included, we are talking of a wage bill of roughly Rs. 150,000 crore. Therefore, whatever we do by way of Pay Commission has really very long-term consequences. So, everyone is concerned about it. I have specific clarifications on two counts. One is that I recognise the inevitability of a Pay Commission of this kind. While accepting it, this is the benefit that the Government, as an employer, grants to the employee. What about obligations of work ethics—duties?

Would the Government while accepting it say something about them also?

Sir, it is my understanding that the Chiefs of Staff of all the three Services have very strongly urged that there be a thing called 'token military service pay' by which a soldier, an airman, a naval rating could be differentiated from the police force. Now, even after all these allowances, which we have read in the Report, the anomaly is that a policeman ends up by taking more pay than a soldier, a sailor and an airman. The distinction, the separation that the three Chiefs had wanted between the Armed Forces personnel and the police personnel was not really a token differentiation but it was also a recognition of status; it was also what they are required to do by way of duty and service to the nation. Would the Finance Minister kindly elaborate on these two aspects?

SHRI P. CHIDAMBARAM: Sir, I cannot answer the second part of the question. It must be put to the Defence Minister. It is a very technical issue.

SHRI JASWANT SINGH: No, it is not Defence. It came to the Finance Minister.

SHRI P. CHIDAMBARAM: Sir, I cannot recall any proposal which came to me using this phrase 'token military service', I cannot recall it. I will look into it and if there is anything which comes to my notice, I will certainly write to them. But I cannot recall anything straightway. In all the hours of discussion that I had, I have not heard this. Maybe, it has come in some other manner.

Sir, on the first point about work ethics and attitude, I share the concern of the hon. Member. We try to instill in the employees that corresponding to the increased benefits that are being ...*(Interruptions)*

SHRI JASWANT SINGH: The work ethics of the Government is a different matter.

MR. SPEAKER: Why not the Parliament?

(Interruptions)

SHRI P. CHIDAMBARAM: Sir, the work ethics of the Government, the Opposition, and everybody is under review. I am grateful that we all are under review by the people because we are sitting in front of television cameras. So, the work ethics of everyone is under review.

Sir, I support the appeal made by the hon. Member that we must improve the work ethics and attitude of Government employees. This must start at the top. Unfortunately, we are not getting the best out of our employees. The kind of work that is being churned out is not commensurate with the kind of investment that is being made in the human resource development ... (Interruptions)

PROF. RASA SINGH RAWAT: Sir, it concerns the government employees. We all want to participate in it. That is why we require more time on this ... (Interruptions)

SHRI P. CHIDAMBARAM: Sir, the first thing we must agree to is that Government must be lean and efficient. Unless we are clear in our minds that Government must be lean, we cannot improve efficiency. Efficiency is the function of the size of the Government. We must have a right size for the Government. There are a number of recommendations of the Pay Commission regarding merger of Departments; right-sizing the Government etc. These are being looked into departmentally. ... (Interruptions)

SHRI NIRMAL KANTI CHATTERJEE: Sir, now let there be a full-fledged discussion in the Parliament on this.

Government is not merely a political talk. All the employees are involved in the Government activities. Let us have a full-fledged discussion on this under rule 193.

MR. SPEAKER: You can give a notice for this.

SHRI NIRMAL KANTI CHATTERJEE: All right. Let us give a notice on this.

MR. SPEAKER: Please give the notice. I will see subject to availability of time.

[Translation]

#### Repayment of Loan by States

\*242. SHRI SATYAPAL JAIN: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government are aware that various States of the Country have to repay dues under various heads to the Union Government;

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

(c) whether the Union Government are contemplating any proposal regarding recovery or waiving of dues;

(d) if so, the details thereof; and

(e) if not, the steps being taken by the Government for the recovery of dues?

[English]

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

#### Statement

(a) Yes, Sir.

(b) The States have to repay to the Ministry of Finance dues under three heads (i) Current Plan loans (ii) Current Small Savings Loans and (iii) Consolidated Loans.

State-wise position of outstanding loans as on 31.3.97 is given below:

Sl. No.	States	Plan loan	Small Savings Loan	Consolidated Loans	Total
1	2	3	4	5	6
1.	Andhra Pradesh	5,444.08	3,532.03	1,364.66	10,340.77
2.	Arunachal Pradesh	181.56	34.26	14.12	229.94
3.	Assam	715.2	1,800.34	1,128.96	3,644.50
4.	Bihar	4,243.65	3,685.87	1,557.70	9,487.22
5.	Goa	286.44	196.07	317.45	799.96
6.	Gujarat	2,482.60	6,757.67	599.1	9,839.37
7.	Haryana	1,247.52	1,960.95	309.49	3,517.96
8.	Himachal Pradesh	271.63	1,290.09	98.53	1,660.25

1	2	3	4	5	6
9.	Jammu & Kashmir	1,068.13	774.14	1,007.23	2,849.50
10.	Karnataka	2,529.93	3,674.65	507.93	6,712.51
11.	Kerala	2,016.00	1,901.48	632.59	4,550.07
12.	Madhya Pradesh	2,937.78	2,325.87	1,127.08	6,390.73
13.	Maharashtra	5,066.08	9,964.00	824.34	15,854.42
14.	Manipur	101.54	50.35	52.87	204.76
15.	Meghalaya	114.9	89.42	29.91	234.23
16.	Mizoram	103.65	33.54	12.5	149.69
17.	Nagaland	154.75	50.32	44.76	249.83
18.	Orissa	2,397.74	1,396.93	871.56	4,666.23
19.	Punjab	7,011.57	3,408.17	222.67	10,642.41
20.	Rajasthan	2,553.24	3,351.65	1,089.23	6,894.12
21.	Sikkim	84.58	30.42	21.5	136.50
22.	Tamil Nadu	4,480.79	3,324.41	598.65	8,403.85
23.	Tripura	144.25	172.20	37.57	354.02
24.	Uttar Pradesh	8,360.45	10,539.00	2,197.52	21,096.97
25.	West Bengal	2,795.78	9,609.91	811.63	13,217.32
Total		56,793.84	69,953.74	15,479.55	142,227.13

(c) to (e) Repayment of loans by the State Governments to Government of India is a normal process under the terms and conditions governing their sanction. In the event of any State Government delaying, such dues are adjusted against Central devolution/releases due to the State Government concerned.

Waving of dues during the period 1995-2000 shall be in accordance with the recommendations of the Tenth Finance Commission. In addition, a repayment of Rs. 803.25 crores including both principal and interest in respect of special term loans granted to Punjab during the period 1984-85 to 1993-94 have been waived off for 1995-96. For the remaining years covered by the Tenth Finance Commission's recommendation in respect of special term loans advanced to Punjab to fight militancy and insurgency, while a decision has been taken, the details are being worked out. No decision has been taken with regard to other demands for loan waiver from States.

[Translation]

SHRI STAYA PAL JAIN: Hon. Speaker Sir, the Minister has told in his reply that different states have to repay loan amounting to Rs. 42 Thousand Crores to the Central Government. State Government take loans from Government of India to carry out their developmental works and some of them mobilise funds from other financial resources

on their own.

Mr. Speaker Sir, to my knowledge the Reserve Bank of India has issued instructions to state Governments that while seeking loans or mobilising resources, the State Governments should take neither any gift nor any commission from the concerned institution on concerned agency, whether state or private agency, nor they should yield to any allurements. I would like to know from the Minister whether the Government is in the knowledge of the fact that some states including Himachal Pradesh have to repay a loan amounting to Rs. 1600 Crores. The state government in order to mobilise her resources, took a loan from some institutions through a private institution and paid Rs. 2.5 Crores as commission to it. On the one hand the state has taken a loan of Rs. 1600 Crores from the Central Government and ... (Interruptions) The R.B.I. has issued instructions. I want to know whether the Government is aware of the fact and if not, whether they will seek information from the concerned State Government in this regard? If a commission of Rs. 2.5 Crores has been paid to a private institution in order to get a loan from them, the Central Government would like to initiate an inquiry in this regard and take action accordingly.

[English]

SHRI P. CHIDAMBARAM: Sir, I am sorry. This question

deals with Central Government loans to State Governments. If he wished to put a separate question on something which the State Government had done; borrowing from the market, then let him do so.

[Translation]

SHRI SATYA PAL JAIN: Mr. Speaker Sir, this is for your information that they took a loan in order to repay the loan taken from the Central Government for which they paid a commission to the tune of Rs. 2.5 Crores. Please furnish details in this regard ...*(Interruptions)*

[English]

MR. SPEAKER: You cannot expect the Hon. Minister to know what the State Governments are doing to repay the loans. How do you expect the Minister to know all these things?

[Translation]

SHRI SATYA PAL JAIN: Mr. Speaker, Sir, by going through the data provided in it, one gets this impression that there are many states which have to repay loan to the tune of hundreds of crores of rupees but the Central Government does not pay more attention towards those state for recovery of loan amount which enjoy support with the Centre and have influential C. Ms and Governments. But in the case of smaller states, these do not even get their normal share of assistance and sometimes the amount of assistance is also cut. I would like to give an example of union territory, Chandigarh in this regard. This year any instead of achieving any loan to the territory, even the normal assistance provided in the years budget has also been reduced by Rs. 8 Crores. I would like to ask the Minister of Finance whether or not the Central Government is going to adopt a uniform policy in this regard without caring for the influence of the C.M. and size of the state what policy is Government going to adopt in regard to the cut in the assistance without any valid reason.

[English]

SHRI P. CHIDAMBARAM: Sir, I am sorry that the Hon. Members should carry such an impression. There is no discriminatory policy or attitude towards giving loans or recovery of loans.

The Government of India loans fall under either block loans to States to finance State Plans or small saving loans or special term loans in certain special circumstances. All loans are recovered according to a uniform principle and I am assure you that all loans of all the State Governments up to 31.3.97 have been recovered. There has been no discrimination whatsoever.

[Translation]

SHRI THAWAR CHAND GEHLOT: Mr. Speaker, Sir, I would like to know the number of years since when the recovery of loan from the states of Andhra Pradesh, Bihar, Uttar Pradesh, Maharashtra and West Bengal. Recently our Prime Minister has waived off the amount of principal as

well as the interest in respect of special term loan granted to Punjab to fight militancy. I would like to know whether the Central Government would also waive off the amount of principal and interest in respect of loan granted to states of Madhya Pradesh, Bihar, Uttar Pradesh, Maharashtra, Gujrat and Assam on account of earthquake or floods or some other disaster in these states respectively.

[English]

SHRI P. CHIDAMBARAM: As I said, all loans up to 31.3.97 have been recovered. Recovery is an automatic process. The recovery is adjusted out of the funds which are given by the Central Government. There is no discrimination. There is no scope for discrimination. Therefore, all loans up to 31.3.97 of all State Governments have been recovered. Dues for 31.3.98 will be recovered before 31.3.98 on the due dates. Therefore, there is no discrimination.

Sir, it is true that the Prime Minister in a meeting with the Chief Minister of Punjab and others had taken a decision about a very limited factor, namely, the special assistance rendered to fight militancy and insurgency during a particular period which falls within the scope of the Tenth Finance Commission.

The details of the decision have to be worked out. Therefore, I am unable to announce any decision as such. But that has been accepted in principle. This is being discussed.

There is no proposal to waive any loan on account of floods or earthquake or other disasters. That is dealt with under the Calamity Relief Fund. There is a national calamity relief fund. There are State calamity relief funds. The Tenth Finance Commission has provided money under these funds and earthquake and floods have to be dealt with by the funds flowing to the calamity relief funds.

I would humbly submit that we should not mix up calamity relief fund with recovery of loans which are given by the Central Government to the State Governments.

SHRI DWARAKA NATH DAS: I would like to know whether the Government of Assam has a debt to the tune of Rs. 6,000 crore under various aspects to the Union Government. If so, on what account the State Government had to incur such a huge debt; whether this would affect the economic package of Rs. 6100 crore for the State announced by the hon. Prime Minister?

May I know from the hon. Minister what steps are being taken by the Government for the recovery of the dues or whether the Union Government is contemplating to waive the dues because of the inability of the State Government of Assam to repay the debt?

MR. SPEAKER: I think, some Members have not listened to the answer given by the Minister.

*(Interruptions)*

[Translation]

PROF. RASA SINGH RAWAT: Mr. Speaker, Sir, I would like to ask a question in respect of those State Governments whose position in regard to repayment in Government.

[English]

MR. SPEAKER: Perhaps the Minister has said that there is no outstanding loan.

SHRI P. CHIDAMBARAM: In the case of Assam, after this Government took over, on a request made by the Chief Minister of Assam, we deputed a team. On the basis of the report of the team, we have made a special grant of Rs. 132 crore to deal with security-related expenditure which, according to the Government of Assam, was not taken into account by the Finance Commission.

Therefore, Assam has been given a special grant of Rs. 132 crore for security-related expenditure. Assam is also a special category State. All the Central funds flowing to Assam go as 90 per cent grant and 10 per cent loan.

#### Target for Disinvestment

\*243. LT. GEN. PRAKASH MANI TRIPATHI: Will the Minister of FINANCE be pleased to state:

- (a) the target fixed for raising of funds by disinvestment in public sector enterprises during 1997-98;
- (b) present position in this regard;
- (c) whether the disinvestment commission has expressed its concern over the delay in taking decisions by the Government thereon; and
- (d) if so, the reaction of the Government thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The target fixed for 1997-98 is Rs. 4,800 crores.

(b) Disinvestment in four Public Sector Enterprises (PSEs); namely, Gas Authority of India Ltd. (GAIL), Container Corporation of India Ltd. (CONCOR), Mahanagar Telephone Nigam Ltd. (MTNL), and IOC has been approved during the current year 1997-98. Action has been initiated in this regard.

(c) and (d) Yes, Sir. Disinvestment Commission has expressed its concern in its 3rd Report. The Commission has made a number of recommendations both of a general nature and also relating to individual PSEs. These recommendations have been examined by the Core Group of Secretaries. A number of these have been referred to administrative Ministries for action and implementation. Where strategic sales of companies have been recommended, the administrative Ministries have been consulted for framing proposals for approval of the Govt. Since Disinvestment Commission has proposed radical changes, the Government has to take a considered approach on these issues.

LT. GENERAL PRAKASH MANI TRIPATHI: I am glad that the target fixed for this year is Rs. 4800 crore. In 1992-93, the target fixed was Rs. 3500 crore and the achievement was less than Rs. 2000 crore. In 1993-94, the target was Rs. 3500 crore but not even Rs. 1000 crore was achieved. In 1994-95, the target was Rs. 4000 crore and the achievement was good. In 1995-96, the target was Rs. 7000 crore and what was achieved was Rs. 168 crore. I do not know whether one was the carry over of the other or backlog of the other. But I am glad that you fixed a target of Rs. 4800 crore for this year.

The method, how this is fixed, is not clear to me. But certainly the progress has been very tardy. So, we have this tragedy that good schemes have bad progress and bad schemes have no progress.

Now, we have an Advisory Body which has made four recommendations. But it is not clear whether really this scheme has taken off, or no takeoff has taken place so far. It is not at all transparent and also adequate data is not being made available. What I would want to bring to the notice of the hon. Minister is that the percentage of disinvestment as envisaged by him has been very slow and in 1995-96 it had even slowed down further.

Is that the picture with the hon. Finance Minister; and if so how does he propose to accelerate this good scheme? That is my question.

SHRI P. CHIDAMBARAM: Sir, disinvestment is a sensitive issue. It is true that the previous Government fixed certain targets but it could not evolve a mechanism by which disinvestment took place in a transparent manner and would have widespread support. Therefore, in the Common Minimum Programme of this Government, we announced a decision to establish a Disinvestment Commission.

The Commission has been established. I believe that has been widely welcomed by this House and by the people of this country. It has introduced a large degree of transparency, objectivity and quality in decision making.

Last year, the Disinvestment Commission came towards the middle of the year and by the time it gave its report, in the process the year was over. We could only get a small portion through VSNL. VSNL, as it turns out, anyone who is aware of what is happening in the capital market, has been the most successful issue of the year. In fact, the word what is being described as is, 'very successful new listing—VSNL'. It is now quoting much above the price at which it was listed. VSNL investors are extremely happy. We think that we are on the right track for disinvestment.

We have now received the Disinvestment Commission's reports. We have chosen three companies for disinvestment this year alongwith IOC which was decided last year and which has been carried over to this year. They are GAIL,



CONCORN and MTNL. Now, Rs. 4,800 crore have been fixed having regard to what is possible in terms of disinvestment of three or maybe four companies. Disinvestment process is going through smoothly. At every stage, the Disinvestment Commission is kept in the picture. There is a core group; then there is a group headed by the Cabinet Secretary; and then it comes to the Cabinet.

I am confident that as things are moving through quite smoothly, we will be able to raise this Rs. 4,800 crore this year.

LT. GENERAL PRAKASH MANI TRIPATHI: I am sorry to say that I do not share the hon. Minister's confidence in this matter that Rs. 4,800 crore will be realised. However that is a matter of opinion.

But specifically, what I want to, in my second question, point out is that the arrangements that have been made through the medium of an Empowered Committee headed by the Cabinet Secretary, which has Secretary, Ministry of Industries and so on, are the normal formulations. This is a thing to make it work. The Committee has to cut across various Ministries. There are various other Ministries. It is an inter-Ministerial job. The Secretaries sitting in the offices have a lot of work to do. They are very busy people. Therefore, the normal hierarchical set up will not speed up the progress of this scheme. This is what my feeling is. You need to create a Special Group, not necessarily Government people but somebody who can execute the good proposals being made by Shri Ramakrishna. He has also expressed serious concern that the Government is not taking decisions fast enough or it has not expressed its view. The impression that we have got from the various literatures that one has read is that the decisions of the Government are not matching with the speed with which they should be going. I, therefore, want to know whether any special effort will be made for an organisational set up that can bring about an acceleration in this process.

SHRI P. CHIDAMBARAM: Sir, I do not think it is possible to hasten the process. I do not think there is any deliberate attempt to slow down the process either. After all, the Government is answerable to Parliament. Therefore, the Government has to oversee the disinvestment process and the Government is doing so through the mechanism of the Disinvestment Commission. We are strictly adhering to the recommendations of the Disinvestment Commission both in the choice of the company, the level of disinvestment and the manner of disinvestment and, I believe, so far it has worked well.

It is true that Shri Ramakrishna from time to time expresses certain views but that is good. It is good to have somebody outside Government who points out to you these things. It is good to have a reference point. I am quite happy with Shri Ramakrishna's view. He meets me quite often. He sits in the same building as I do. I am quite happy with his views. I do not believe, Parliament or the country will accept the situation where disinvestment takes place through a mechanism outside the Government. Finally, the decision has to be taken by the Cabinet. The

final decisions have to be taken by the Government. As of this morning, I am confident that the process is going through smoothly in these three plus one companies and we will be able to disinvest up to Rs. 4,800 crore.

[Translation]

SHRI RAMENDRA KUMAR: Mr. Speaker, Sir, the hon. Minister has informed that a sum of Rs. 4800 crore is likely to be collected by selling the Public Sector shares. I would simply like to know from the hon. Minister whether the Govt. has chalked out any strategy for reviving and revamping the sick Public Sector Units or those which are on the verge of closure like Hindustan Fertilizers, I.D.P.L., H.E.C. etc. utilising this amount.

[English]

SHRI P. CHIDAMBARAM: Sir, the bulk of the disinvestment proceeds will go for the social sector, as we have said in our Common Minimum Programme, namely health and education. There is a decision that 10 per cent of the disinvestment proceeds should be earmarked for a Revolving Fund. Last year we raised a very small amount and, therefore, the question of providing 10 per cent was neither here nor there. This year, if we succeed in raising Rs. 4,800 crore, surely we will consider allocating about 10 per cent of that amount to the Revolving Fund.

MR. SPEAKER: I think, he has already answered Shri Acharia's question.

SHRI BASU DEB ACHARIA: No, Sir.

I want to know from the hon. Finance Minister whether it is a fact that the Refugee Rehabilitation Industries Corporation, which is a public sector undertaking, has also been referred to this Disinvestment Commission.

SHRI P. CHIDAMBARAM: Sir, I believe, it was referred to the Commission but the Commission has not yet taken it up.

SHRI BASU DEB ACHARIA: Why has this public sector undertaking been referred to the Commission? ...*(Interruptions)*

SHRI P. CHIDAMBARAM: I will check and let you know.

I am not aware why a particular company was referred. All companies where there is a proposal to disinvest will be referred, but the Disinvestment Commission advises. My colleague tells me that it may have been referred, but they have not taken it up. I will check the position and let you know.

[Translation]

#### Training to Unemployed Youths for SSI

+  
\*245. SHRI DEVI BUX SINGH:

DR. RAMESH CHAND TOMAR:

Will the Minister of INDUSTRY be pleased to state:

(a) whether there is any scheme for imparting training to unemployed youths for setting up small scale industries in the country;

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

(c) the number of unemployed youths who have been benefited from this scheme till now?

[English]

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

#### Statement

(a) and (b) Yes, Sir. Unemployed youth are provided training under the Prime Minister's Rozgar Yojana. Government of India is also implementing Entrepreneurship Development Programmes through Small Industries Service Institutes, assisting State Entrepreneurship Development Institutes, and conducting skill development programmes through Tool Rooms and Process & Product development centres for intending entrepreneurs and youth.

Training under PMRY consists of elements of motivation, accounting, marketing, familiarisation with legal and state framework etc. It is for a period of 15 to 20 working days for the industry sector & 7 to 10 working days for the service/business sector.

Entrepreneurship Development Programmes by SISIs give an overview of requirements for managing enterprises. Product oriented EDPs also familiarise entrepreneurs with processes and machines. They are normally for a period of 4 to 6 weeks.

State Entrepreneurship Development Institutes also train persons in EDPs. Skill development training is carried out with specific courses designed to meet specific industry needs.

(c) As per reports received from State/UTs for the 8th Plan as many as 6,16,639 youths were trained under PMRY, 41,766 persons were trained under Entrepreneurship Development Programmes by SISIs. For the years 1992-93 to 1995-96; 40,221 persons were trained by assisted State Entrepreneurship Development Institutions.

[Translation]

SHRI DEVI BUX SINGH: Mr. Speaker, Sir, on the one hand the Govt. is spending crores of rupees for imparting training to the unemployed youth and on the other hand an expert Committee constituted under the Chairmanship

of Shri Abid Hussian in January, 1997 has recommended in its report submitted to the Govt. that the Govt. should extend adequate loans and tax concessions for strengthening the small scale industries, but the Govt. has not taken any steps in the direction so far. I would like to know from the hon. Minister as to by what time the Govt. is going to implement the recommendation contained in the report?

SHRI MURASOLI MARAN: Sir, various programmes are on the anvil. For example, Prime Minister's Rozgar Yojana is there. In the Eighth Plan, we have given employment to about 6,16,000 people. Then there is an EDP programme conducted by SISI. We have given job opportunities for 41,000 people. Then, there is an EDI programme run by state intitutions. We have given job for 40,000 people. Then, there are Tool Rooms and other Skill Development Programmes. We have given 10,000 jobs. This is a continuous programme. It is going on.

[Translation]

SHRI DEVI BUX SINGH: Mr. Speaker, Sir, does the Govt. provide any financial assistance or grants to the institutions and organisation engaged in the work of imparting training to the unemployed youth and also provide loans to the these youths after receiving training for setting up their own small scale industries?

[English]

SHRI MURASOLI MARAN: Sir, training is given depending upon the jobs. For example, in PMRY, if it is an industry, 15-20 day's training is given. If it is a service-oriented or business-oriented one, seven to ten days' training is given. A stipend is given and they are absorbed in the industry itself.

[Translation]

DR. RAMESH CHAND TOMAR: Mr. Speaker, Sir, I would like to know from the hon. Minister whether the Government is aware of the fact that in the absence of employment the rural youths are migrating to urban areas and the training provided to the rural unemployed youths, under the Prime Minister's Rozgar Yojana is nominal, slow and haphazard? If that is so, what are the reasons therefore and whether the Govt. is making any arrangements to monitor its proper implementation?

[English]

SHRI MURASOLI MARAN: PMRY is one of the best schemes being implemented all over the country. If specific instances are brought to my notice, I will take action.

SHRI C. NARASIMHAN: The fact remains, that the SISI which is providing the training programme for PMRY loanee is not enough to meet the requirements. May I know from the hon. Minister this thing? Is there any special proposal to set up a specialised institution to train specially the PMRY candidates?

SHRI MURASOLI MARAN: There are multifarious

institutions. There are several BGOs, besides that, private organisations are there, universities are there and institutes are there. There is no dearth for such kind of institutes.

[Translation]

SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA: Mr. Speaker, Sir, just now an hon. Member asked a question about imparting training to the unemployed youth on the basis of the Abid Hussain Committee report. My question is whether the Govt. is contemplating the formulation of a scheme of imparting training on the basis of the Govt. of India's Standing Committee report on Industries laid before the Parliament? Will the Govt. consider the implementation of the recommendations contained in the Standing Committee report?

[English]

SHRI MURASOLI MARAN: I am sorry. I am not getting you about that report. I will definitely look into the report and take action ...(Interruptions) Madam, what is the report? ...(Interruptions)

[Translation]

SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA: Does the Govt. intend to implement the scheme for imparting training to the unemployed youths as recommended in the Parliamentary Standing Committee Report?

[English]

SHRI MURASOLI MARAN: The report is being studied by a group of officials in my Ministry. I will report to you as and when the action is taken ...(Interruptions)

SHRI MADHUKAR SARPOTDAR: It is a direct indication that whatever Standing Committees have been established by the Parliament and whatever Reports have been submitted by them, they have been totally ignored by the Ministry. It is a direct example.

MR. SPEAKER: Are you a Chairman of any Standing Committee? I think, 'no'.

(Interruptions)

SHRI P.C. THOMAS: As we all know, P.M.R.Y. is a very good scheme. ...(Interruptions)

SHRI MADHUKAR SARPOTDAR: I am the Chairman of a Standing Committee. But they should follow the report. ...(Interruptions)

SHRI P.C. THOMAS: P.M.R.Y. is a very good scheme. ...(Interruptions)

MR. SPEAKER: The Report is being studied. He will come back.

(Interruptions)

PROF. RASA SINGH RAWAT: Sir, you direct the Government to accept the recommendations of the Standing Committees. ...(Interruptions)

SHRI P.C. THOMAS: Sir, as we all know, P.M.R.Y. is a very good scheme and with a very good intention. Though the control at the outset, is with the Ministry of Industry, yet the final control is with the Ministry of Finance. But the coordination between the Ministry of Industry and the Ministry of Finance in this regard is very poor.

Sir, I suggest that the Ministers should sit together and evolve some programme ...(Interruptions)

MR. SPEAKER: I think, it is a very good suggestion.

(Interruptions)

SHRI P.C. THOMAS: Let the answer also come. ...(Interruptions) There is a practical difficulty that nobody is getting the loan. ...(Interruptions). They are sitting together. Let them take action.

MR. SPEAKER: They are already sitting together here.

SHRI P.C. THOMAS: They are sitting together, but they are not talking together ...(Interruptions)

MR. SPEAKER: It is a very good suggestion.

SHRI MURASOLI MARAN: We will sit together and take action ...(Interruptions)

SHRI P.C. THOMAS: I think, they should talk together and evolve something to see that the P.M.R.Y. loan is given to the deserving candidates. This is not only a suggestion but I am putting a question whether something is evolved by way of finding a solution to the lot of problems which have been posed in this regard. A lot of difficulties have been found in the field for getting these loans. Is there any formula?

MR. SPEAKER: I think, it is enough.

SHRI MURASOLI MARAN: In this regard, I have already taken two meetings with the State Governments and also with the bank authorities. If any specific instances are brought to my notice, I will definitely take action.

MR. SPEAKER: Shrimati Geeta Mukherjee, one short question, please.

SHRIMATI GEETA MUKHERJEE: I would like to know whether there is any monitoring with regard banking finance as well as cess. Banking finance and marketing are the two things which ultimately put everything in chaos.

SHRI MURASOLI MARAN: Sir, constant monitoring is taking place. But I would beg to submit that West Bengal is lagging behind in P.M.R.Y. ...(Interruptions)

[Translation]

Cracke in Raniganj Coal Areas

246. SHRI RAM TAHAL CHAUDHARY:

SHRI RAM KRIPAL YADAV:

\*Will the Minister of COAL be pleased to state:

- (a) whether it is a fact that excessive coal mining is taking place in many mines;
- (b) if so, the facts thereof;
- (c) whether wide cracks have appeared in the Raniganj coal areas and its surroundings due to excessive coal mining, which have caused danger to the mines and residences of nearby areas and the situation can be more dangerous in the rainy season;
- (d) if so, the details thereof; and
- (e) the action, the Government contemplate to take in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (e) A Statement is laid down on the Table of the House.

#### **Statement**

(a) and (b) Extraction of coal in mines takes place in accordance with the approval granted by the Director General of Mines safety (DGMS). According to Coal India Ltd. (CIL), no excessive coal mining is taking place in mines.

(c) and (d) Cracks/subsidence at surface may occur due to planned subsidence and unplanned subsidence. Planned subsidence is caused due to extraction of coal seam by caving. Eastern Coalfields Ltd. (ECL) have reported that no unplanned subsidence has taken place in the Raniganj coal areas and its surroundings due to present mining operations. However, 16 cases of subsidence had taken place in the last 3 years in Asanol-Raniganj coal belt of West Bengal mainly due to underground mining carried out under shallow depths before the nationalisation of coal mines.

(e) In the absence of any proven technology to stabilise unstable inaccessible underground workings, action has been taken to stabilise densely populated areas through an innovative technology of Hydro-pneumatic stowing technique. Further, with a view to solving of the problem of subsidence and fire in Raniganj and Jharia coalfields in a comprehensive manner, a Committee has been constituted with Secretary (Coal) as the Chairman and representatives of Planning Commission, Ministry of labour, Govt. of West Bengal and Bihar, DGMS, CIL, CMPDI and BCCL as members.

*[English]*

*(Interruptions)*

MR. SPEAKER: I am sorry. I did not know that the coal sector is on this side also.

*(Interruptions)*

MR. SPEAKER: Shri Ramtahal Chaudhary, you can put one quick question. You have thirty seconds with you.

*[Translation]*

SHRI RAMTAHAL CHAUDHARY: Mr. Speaker, Sir, the time is running out. I wanted to briefly term from the hon. Minister whether it is a fact that due to excessive mining activities crevices have developed in and around Raniganj coalfield. Hon. Minister did not give a satisfactory answer to it. He has stated that excessive mining is not undertaken owing to security reasons.

MR. SPEAKER: The time is over.

SHRI RAMTAHAL CHAUDHARY: What is the extent of loss due to 16 cases of seepage just now mentioned by him and whether compensation has been paid for that? In addition to this, cases of sinking are there. I want to know who is responsible for that?

#### **WRITTEN ANSWERS TO QUESTIONS**

*[English]*

#### **Industrial Growth Centres**

\*244. SHRI CHITTA BASU:

PROF. P.J. KURIEN:

Will the Minister of INDUSTRY be pleased to state:

(a) the number of industrial growth centres sanctioned in the country so far, State-wise and location-wise;

(b) the number out of these centres completed/ functioning;

(c) the total amount released by the Government on each growth centre so far;

(d) the total amount spent by the State Governments on growth centres;

(e) whether the Government have given up the growth centres scheme; and

(f) if so, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) Under the Growth Centre Scheme till date, a total number of 54 Growth Centres have been sanctioned all over the country as per the Statement-I attached. These Growth Centres are at various stages of implementation. For this purpose the Central Government has released an amount of Rs. 235 crores approximately to the various State Governments as per Statement-II attached depending upon the progress of implementation of the growth centres. The State Governments have reported release of their contribution of Rs. 128 crores approximately as on 1-4-97.

(e) At present there is no question of winding up of the growth centre scheme.

(f) Does not arise.

**Statement-I***List of Approved Growth Centres*

Sl. No.	Name of the Growth Centre	District
1	2	3
<b>Andhra Pradesh</b>		
1.	Hindupur	Anantapur
2.	Khammam	Khammam
3.	Ongole	Prakasam
4.	Vizianagaram-Bobbili	Vizianagaram
<b>Arunachal Pradesh</b>		
5.	Niklok Ngorlung	East Siang
<b>Assam</b>		
6.	Chariduar	Sonitpur
<b>Bihar</b>		
7.	Begusarai	Begusarai
8.	Bhagalpur	Bhagalpur
9.	Chhapra	Chhapra
10.	Hazaribagh	Hazaribagh
11.	Muzaffarpur	Muzaffarpur
<b>Goa</b>		
12.	Electronic City	Verna-Plateau
<b>Gujarat</b>		
13.	Gandhidham	Kutch
14.	Palanpur	Banaskantha
15.	Vagra	Bharuch
<b>Haryana</b>		
16.	Bawal	Rewari
<b>Himachal Pradesh</b>		
17.	Kangra	Kangra
<b>Jammu &amp; Kashmir</b>		
18.	Samba	Jammu
<b>Karnataka</b>		
19.	Dharwad	Dharwad
20.	Raichur	Raichur
21.	Hassan	Hassan

1	2	3
<b>Kerala</b>		
22.	Alleppey-Pathanamthitta	Alleppey-Pathanamthitta
23.	Kannur-Kozhikode-Malappuram	Kannur-Kozhikode-Malappuram
<b>Madhya Pradesh</b>		
24.	Borai	Borai
25.	Chainpura	Guna
26.	Ghirongi	Bhind
27.	Kheda	Dhar
28.	Satlapur	Raisen
29.	Siltara	Raipur
<b>Maharashtra</b>		
30.	Akola	Akola
31.	Chandrapur	Chandrapur
32.	Dhule	Dhule
33.	Ratnagiri	Ratnagiri
<b>Meghalaya</b>		
34.	Mendipathar	East Garo Hills
<b>Mizoram</b>		
35.	Luangmual	Aizwal
<b>Orissa</b>		
36.	Chatrapur	Ganjam
37.	Duburi	Cuttack
<b>Punjab</b>		
38.	Bhatinda	Bhatinda
39.	Pathankot	Gurdaspur
<b>Rajasthan</b>		
40.	Abu Road	Sirohi
41.	Bikaner	Bikaner
42.	Jhalawar	Jhalawar
43.	Dholpur	Dholpur
<b>Tamilnadu</b>		
44.	Erode	Periyar

1	2	3
45.	Tirunelveli (Gangai Kondan Nanur Block)	Tirunelveli- Kattabomman
<b>Uttar Pradesh</b>		
46.	Bachouli-Buzurg	Jhansi
47.	Banthara	Shahjahnpur
48.	Chaudharpur	Moradabad
49.	Khurja	Bulandshahr
50.	Mungra Satharia	Jaunpur
51.	Sahjanwa	Gorakhpur
<b>West Bengal</b>		
52.	Bolpur	Birbhum
53.	Jalpaiguri	Jalpaiguri
54.	Malda	Malda

**Statement-II***Central Assistance Released upto 31.07.97*

Name of the Growth Centre	Funds Released by Central Govt. (Rs. in lakhs)
1	2
<b>Andhra Pradesh</b>	
1. Hindupur	200.00
2. Khammam	50.00
3. Ongole	300.00
4. Vizianagaram-Bobbili	440.00
<b>Arunachal Pradesh</b>	
5. Niklok Ngorlung	50.00
<b>Assam</b>	
6. Chariduar	50.00
<b>Bihar</b>	
7. Bhagalpur	50.00
8. Begusarai	300.00
9. Chhapra	50.00

1	2	3
10.	Hazaribagh	200.00
11.	Muzzafarpur	50.00
<b>Goa</b>		
12.	Electronic City	524.00
<b>Gujarat</b>		
13.	Gandhidham	100.00
14.	Palanpur	100.00
15.	Vagra	1000.00
<b>Haryana</b>		
16.	Bawal	1000.00
<b>Himachal Pradesh</b>		
17.	Kangra	450.00
<b>Jammu &amp; Kashmir</b>		
18.	Samba	600.00
<b>Karnataka</b>		
19.	Dharwad	1000.00
20.	Raichur	680.00
21.	Hassan	940.00
<b>Kerala</b>		
22.	Alleppey- Pathanamthitta	268.00
23.	Kannur- Kozhikode- Mallapuram	1000.00
<b>Madhya Pradesh</b>		
24.	Burai	668.00
25.	Chainpura	100.00
26.	Ghlorongi	1000.00
27.	Kheda	1000.00
28.	Satlapur	435.00
29.	Siltara	1000.00
<b>Maharashtra</b>		
30.	Akola	700.00
31.	Chandrapur	400.00
32.	Dhule	200.00

1	2	3
33.	Ratnagiri	240.00
<b>Meghalaya</b>		
34.	Mendipathar	50.00
<b>Mizoram</b>		
35.	Luangmual	50.00
<b>Orissa</b>		
36.	Chatrapur	50.00
37.	Duburi	50.00
<b>Punjab</b>		
38.	Bhatinda	1000.00
39.	Pathankot	1000.00
<b>Rajasthan</b>		
40.	Abu Road	1000.00
41.	Bikaner	300.00
42.	Jhalawar	350.00
43.	Dholpur	350.00
<b>Tamil Nadu</b>		
44.	Erode	1000.00
45.	Tirunelveli	930.00
<b>Uttar Pradesh</b>		
45.	Bachouli-Buzurg	50.00
46.	Banthara	50.00
47.	Chaudharpur	50.00
48.	Khurja	470.00
49.	Mungra Satharia	450.00
50.	Sahjanwa	1000.00
<b>West Bengal</b>		
52.	Bolpur	50.00
53.	Jalpaiguri	50.00
54.	Malda	50.00
Total		23495.00

**Infrastructure Facility for Judiciary**

\*247. SHRI T. GOVINDAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Union Government provides funds

to the States for the development of infrastructural facilities for judiciary under Centrally sponsored schemes or other wise;

(b) if so, the details thereof;

(c) whether the Government have received any request from the Government of Kerala to provide assistance of Rs. 15 crores to the State in this respect during the Ninth Plan period;

(d) if so, the details thereof; and

(e) the action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b) A Centrally Sponsored Scheme for the development of infrastructural facilities for the judiciary was introduced in 1993-94, with the aim of augmenting the resources of the State Governments. The scheme is confined to construction of Court Buildings and residential accommodation for the judges/judicial Officers, covering High Courts and District Courts. The annual provision approved by the Planning Commission for this scheme is allocated among States/UTs on the basis of certain criteria. The State Governments must provide a matching share to the amount released by the Central Government. The State Governments are, however, free to spend additional amounts, depending upon their own resources. Since 1993-94, Rs. 180.43 crores has been released under this scheme. Out of this, Kerala was provided Rs. 5.93 crores. In 1997-98, the provision for the country as a whole is Rs. 50.00 crores and the allocation for Kerala is Rs. 1.60 crores of which 50% has already been released.

(c) to (e) The Government of Kerala had sought a special grant of Rs. 15 crores to meet the cost of a new High Court Complex at Ernakulam. The matter was taken up with the Planning Commission. The Planning Commission has expressed its inability to provide special assistance of Rs. 15 crores to Kerala. The State Government has been informed accordingly.

[Translation]

**Decline in Non-agricultural Loan**

\*248. SHRI MAHESH KUMAR M. KANODIA: Will the Minister of FINANCE be pleased to state:

(a) whether non-agricultural loan of banks have declined in the last two months of the current financial year while the total bank loans have increased during the said period;

(b) if so, the reasons therefor; and

(c) the percentage of decline in such loans?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Reserve Bank of India (RBI) have reported that total bank credit of scheduled commercial banks increased by Rs. 1359 crore (0.5 per cent)

between May 23, 1997 and July 18, 1997. Non-food credit showed an increase of Rs. 1560 crore (0.6 per cent) during the same period. Data on sectoral deployment of credit for the last two months of the current financial year is not yet available with RBI.

[English]

### Export of Wool

\*249. SHRI SUDHIR GIRI: Will the Minister of TEXTILES be pleased to state:

(a) the quantity of wool and woollen products exported during the last three years and the value thereof;

(b) the countries to which wool exported;

(c) the main problems being faced by exporters to export the wool to various countries; and

(d) the steps taken by the Government to solve their problems?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):  
(a) The quantity and value of Wool and Woollen products exported during the last three years is given in the attached statement.

(b) The names of the major countries where these products are exported are given below:

Woollen Worsted Fabrics : Canada, Dubai,  
Hongkong & UK.

Woollen/Worsted Yarn : UK & Italy.  
Woollen Made-ups : USA, Germany, UK,  
Benelux & France.  
Woollen Knitwear : CIS Countries, USA,  
France & UK.

(c) and (d) The main problem being faced by the woollen exporters in the country is the non availability of apparel grade raw wool indigenously which is used as raw material.

The Govt. have been taking various measures to solve the problems of woollen exporters and encourage exports. Some of the important steps taken in this direction are:

1. Encouraging exporters to participate in Buyer-Seller meets, fairs and exhibitions.
2. Import of capital goods at concessional duty for export production.
3. Reduction in import duty of Apparel grade wool from 25% to 20%.
4. Market Development Assistance (MDA) is given to the Wool & Woollen Export Promotion Council (W&WEPC) for export promotion activities.
5. Identifying new markets in Western Europe, North America and Scandinavian countries.

### Statement

*Trends in exports of Wool & Woollen Products during the Last Three Years*

Value in Rs. Crs./000

Products		1994-95		1995-96		1996-97	
		Rs.	US\$	Rs.	US\$	Rs.	US\$
1	2	3	4	5	6	7	8
1.	Worsted Fabrics	52.91	16534	118.19	34762	158.64	45326
2.	Woollen Knitwear	168.90	52781	220.12	64741	414.37	118391
3.	Woollen Blankets	23.00	7187	31.63	9303	44.11	12603
4.	Shawls, Scarves, Mufflers & Rumals	100.25	31328	126.72	37271	187.56	53589
5.	Machine Made Carpets	-	-	0.35	103	0.50	143
6.	Others (Wool tops) (Yarn)	5.40	1687	6.10	1794	6.20	1771
		97.90	30593	120.49	35438	153.31	43803
7.	Hair Belting	3.00	937	3.10	912	3.20	914



1	2	3	4	5	6	7	8
8.	W. Handloom Woven Textiles	86.17	26928	34.03	10009	30.42	8691
	Total	537.53	167975	660.73	194333	998.31	285231
9.	Acrylic Knitwear	92.90	29031	94.05	27662	97.20	27771
10.	Woollen Readymade Garments	355.00	110937	390.94	114982	550.40	157257
	Grand Total	985.43	307943	1145.72	336977	1645.91	470259

[Translation]

**Statement of Chief Justice**

\*250. KUMARI UMA BHARATI:

SHRI CHANDRESH PATEL:

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

(a) whether the attention of the Government has been drawn to the statement made by the Chief Justice of India that the judges of the Supreme Court were under pressure to withdraw from the Bench hearing the Jain Hawala case;

(b) if so, the facts thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) Yes, Sir.

(b) and (c) The Government attach utmost importance to the independence of judiciary and would not like it to be compromised at any cost. No one from the Government was authorised to speak to the judges in the matter and no one from the Government spoke to the judges.

**Cobbler Societies**

\*251. SHRI SRIBALLAV PANIGRAHI: Will the Minister of FINANCE be pleased to state:

(a) whether the Cobbler Societies especially in Maharashtra have perverted the priority sector lending norms of the Reserve Bank of India and the tax concessions, subsidies including modified automatic refinance facilities allowed by the Union Government under the Khadi and Village Industries Commission;

(b) if so, the details thereof;

(c) whether nearly 1000 crore worth of subsidy benefits meant for small cobblers have been systematically ferreted away;

(d) if so, the details thereof; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) The Reserve Bank of India (RBI) has reported that it has issued guidelines relating to lending to "Priority Sector" to all banks which are required to be followed by them, while advancing loans. Banks, in turn, prescribe detailed procedures for effecting such lendings to various segments of Priority Sector. Banks are also required to follow their internal regulations regarding documentation etc. RBI has further reported that so far as lending to cobbler societies by banks are concerned, these are done under the Modified Automatic Refinance Scheme (MARS). The advances granted under MARS are eligible to be classified as Priority Sector advances. As reported by the Khadi & Village Industries Board (KVIB), Maharashtra, two cobbler societies of Maharashtra were paid interest subsidy on bank finance availed by them under the Interest Subsidy Eligibility Certificate Scheme of Khadi & Village Industries Commission (KVIC) and the amount involved in these two cases was Rs. 7.36 lakhs and Rs. 10.62 lakhs respectively.

(e) The KVIC which is under the administrative control of the Department of Small Scale Industries and Agro & Rural Industries has lodged a complaint to the Commissioner of Police, Mumbai against the two societies and the matter is under the investigation of Mumbai Police (Economic Offences Wing).

**Dellicensing of Industries**

\*252. SHRI SARAT PATTANAYAK: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have taken any decision to exempt some more industries from licensing requirements;

(b) if so, the details thereof;

(c) the benefits likely to accrue to the entrepreneurs and the country as a result thereof;

(d) whether the Government propose to exempt the remaining industries from licensing requirements;

- (e) if so, the time schedule in this regard; and  
 (f) if not, the reason therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (f) At present, there are 9 industries under compulsory licensing. The process of reviewing the list of items retained under compulsory licensing is an ongoing one.

The benefits which are likely to accrue to the entrepreneurs and the country as a result of delicensing include greater competition and freedom to entrepreneurs to take investment and technology decisions in the industrial sector, leading to greater industrial growth. Also, delicensing would help induct latest technologies for a product which has multiple industrial uses. This step is also expected to enhance the image and appeal of India as a favoured destination for investment.

#### Number of Frauds and Involvement of Money

\*253. SHRI A. SAMPATH: Will the Minister of FINANCE be pleased to state:

- (a) the number of bank frauds which took place since liberalisation of country's economy in 1990;

- (b) the amount involved in those frauds, bank-wise, and;

- (c) the action taken by the Government to prevent recurrence of such frauds in future?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) The information relating to the bank-wise number of frauds detected in Public Sector Banks and amount involved therein during the years 1990 to 1996 is given in the statement attached.

The Public Sector Banks, at the instance of Government and RBI have taken several steps from time to time for 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.

#### Statement

*Bank-wise number of frauds detected in public sector banks and the amount involved therein during the years 1990, 1991, 1992, 1993, 1994, 1995 and 1996*

(Rupees in lakhs)

Name of the Bank	Number of Frauds							Amount Involved						
	1990	1991	1992	1993	1994	1995	1996	1990	1991	1992	1993	1994	1995	1996
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
State Bank of India	506	457	499	597	616	554	468	994.30	520.64	478.39	773.44	2010.97	789.99	3087.12
	*3	*6	*4	*2			*7	US\$7500	195.36	84.40	25.08			2015.10
								349.74						
State Bank of Bikaner & Jaipur	32	19	21	36	21	18	13	113.94	603.54	171.64	536.63	11.06	194.45	41.73
State Bank of Hyderabad	24	14	33	28	23	40	36	74.16	34.73	19.05	97.11	63.55	157.59	1287.28
State Bank of Indore	17	9	24	20	26	09	16	337.85	77.50	11.48	161.63	1169.39	19.63	483.47
State Bank of Mysore	34	24	27	28	37	38	23	30.36	12.89	15.84	7.51	252.95	22.87	610.34
State Bank of Patiala	12	9	15	26	30	33	19	36.04	6.39	64.80	222.61	100.05	610.11	1432.48
State Bank of Saurashtra	8	11	10	7	12	09	13	21.87	121.20	64.35	16.17	17.98	106.26	93.99
State Bank of Travancore	17	14	21	20	25	22	29	35.21	8.92	93.77	32.49	70.22	126.21	2067.56
Allahabad Bank	31	34	38	33	39	48	59	24.97	25.56	67.46	45.14	2343.58	105.32	6806.81
Andhra Bank	38	35	41	66	25	41	37	799.40	290.03	1028.75	2130.92	131.00	523.80	201.39

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Bank of Baroda	80	79	70	139	159	114	101	181.83	240.95	281.64	568.46	2905.71	1151.74	949.12
	*16	*10	*5	*12	*15	*10		90.13	30.11	30.07	35.54	528.63	52.85	
								+U.Sh.		F \$ 1500		+ U. Sh.		
								4597787				9844000		
Bank of India	81	96	154	168	215	156	158	255.73	689.03	701.75	725.19	728.62	496.82	389.25
	*6	*6	*6	*16	*11	*04		15.70	38.53	2355.83	4249.29	988.51	8.84	
Bank of Maharashtra	6	12	31	22	50	31	34	1979.19	742.29	298.63	404.65	465.11	1891.65	79.86
Canara Bank	156	115	140	259	217	167	213	2295.96	489.14	369.35	801.13	1402.21	1953.01	861.21
Central Bank of India	50	68	50	85	130	73	142	148.63	106.04	1311.66	3234.72	347.46	188.64	5959.80
Corporation Bank	17	19	14	31	38	23	23	49.16	6.64	16.47	42.24	38.28	86.13	117.45
Dena Bank	22	20	32	20	22	14	27	24.35	46.16	33.66	159.65	1049.62	140.04	70.28
Indian Bank	45	56	65	41	60	37	34	87.10	223.73	319.93	638.24	286.26	83.08	102.99
Indian Overseas Bank	46	60	83	75	71	43	49	11.04	18.67	745.40	143.54	356.97	326.92	113.28
New Bank of India	28	19	25	29	-	-	-	757.42	517.28	495.83	69.72	-	-	-
Oriental Bank of Commerce	12	7	6	22	14	12	30	26.10	80.25	26.66	102.97	230.88	630.80	1306.95
Punjab National Bank	107	42	54	88	118	56	66	100.67	218.59	111.53	3224.29	2003.36	212.70	1519.17
Punjab & Sind Bank	16	14	6	21	17	17	24	33.93	198.70	245.61	654.21	163.26	74.38	251.58
Syndicate Bank	113	116	96	139	103	109	154	123.36	381.85	202.38	174.10	1371.80	782.43	484.62
Union Bank of India	60	65	44	61	39	59	79	374.64	46.05	47.45	756.54	336.54	251.71	770.08
United Bank of India	42	24	26	50	43	40	33	17.36	7.71	243.29	11459.66	171.09	41.21	691.56
UCO Bank	29	57	39	35	58	74	39	131.88	492.18	4466.87	183.46	416.89	374.17	107.90
		*2		*4					12.25		165.27			
Vijaya Bank	33	40	38	33	32	39	28	1069.81	58.40	25.16	190.83	45.93	147.77	35.26
Total	1687	1559	1717	2213	2266	1890	1954	10592.83	6541.31	14449.10	32032.43	20007.88	11551.12	31937.63
								+US\$7500						
								+U.Shs.		+F\$ 1500		+U.Sh.		
								4597787				9844000		

"" Outside India, 'U.Sh.' = Uganda Shillings, 'F\$' = Fijian Dollars

(Data Provisional)

### Integrated Infrastructure Development Project

\*254. DR. T. SUBBARAMI REDDY: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have approved the scheme for setting up of eight more Integrated Infrastructure Development Projects in the country;

(b) If so, the details thereof;

(c) whether the said scheme is to promote clusters of small scale and tiny units, to promote linkage between agriculture and industry and to upgrade infrastructural services in the rural areas of the country;

(d) if so, the total IID centres functioning in the country; and

(e) the extent to which these projects are likely to help in improving the infrastructure units?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir. The Government has recently approved the setting up of eight Integrated Infrastructural Development (IID) Projects in various States. These projects are located in the districts of Darrang (Assam), Bhiwani and Jind (Haryana), Bilaspur (Himachal Pradesh), Kolar (Karnataka), Kannur (Kerala), Seoni (Madhya Pradesh) and Chandel (Manipur).

(c) The IID Scheme launched in 1994, inter-alia,

provides for promotion of clusters of small scale and tiny units, and to promote stronger linkages between agriculture and industry by way of creation/upgradation of infrastructural facilities in the new/existing centres/industrial areas and to create employment opportunities and develop exports. The Central Government provides grant upto Rs. 2 Crores and Small Industries Development Bank of India provides term loan upto Rs. 3 Crores for each Centre. An IID Centre is expected to accommodate about 450 units.

(d) The Government has sanctioned a total of 32 Projects till date in various states including eight projects which were sanctioned only in May, 1997. The Projects are at various stages of implementation.

(e) The IID Scheme is designed not only to meet the need of infrastructural facilities for the new units, but also aims at upgrading existing infrastructural facilities like power, water, communications, common service facilities including technology backup services, etc. in the industrial areas/existing centres.

#### **Non-banking Financial Companies**

\*255. SHRI PRAMOD MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) the number of non-banking financial companies which have got themselves registered with the Reserve Bank of India and the number of NBFCs whose net worth is above and less than Rs. 1 crore;

(b) whether Indian and foreign banks in the country have decided not to provide any service to unregistered NBFCs;

(c) if so, the details in this regard and the reasons therefor;

(d) the total estimated financial liability of NBFCs registered with RBI also of those which are unregistered;

(e) the number of depositors who are likely to be affected therefrom; and

(f) the steps taken by the Government to deal with the situation in case of default in payment by NBFCs and for helping the depositors?

THE FINANCE MINISTER (SHRI P. CHIDAMBARAM):  
(a) Prior to amendment to Reserve Bank of India (RBI) Act, 1934 on 9-1-1997, there was a scheme of voluntary registration with RBI by Non Banking Financial Companies (NBFCs) with net owned fund (NOF) of Rs. 50 lakhs and above. Under that scheme 852 NBFCs got themselves registered. There were more than 40000 NBFCs on the mailing list out of which about 10,000 companies were reporting to RBI. As per the statements filed with RBI as on 31st March, 1996, there were about 1441 NBFCs with NOF of Rs. 1 crore and above and the rest have NOF less than Rs. 1 crore each.

Under the provisions of Section 451A of the amended RBI Act all NBFCs including those mentioned above, were

required to apply for reregistration with RBI on or before 8th July, 1997. According to RBI, 37,478 applications for registration have been received from NBFCs.

(b) and (c) RBI have reported that they have not so far issued any instructions to the banks in this regard.

(d) and (e) As on 31st March, 1996, based on the statements filed by reporting NBFCs with RBI, their regulated deposits amounted to Rs. 35,795 crores of which Rs. 11,155 crore were public deposits. The exact number of depositors with NBFCs is not known to RBI.

(f) In case of default of payments by NBFCs, the depositors can lodge their complaints with Company Law Board in terms of Section 45QA(2) of RBI Act. In case of persistent defaults, RBI may also, if need be, file a winding up petition in the High Court under the provisions of Section 45MC of the RBI Act, if the company is inter-alia, unable to pay its debts.

[Translation]

#### **Industrial Sickness**

\*256. SHRI PARASRAM BHARDWAJ:

SHRI MANIKRAO HODLYA GAVIT:

Will the Minister of INDUSTRY be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "Sick Companies losses total Rs. 23,000 crores" appearing in the 'Pioneer' dated July 11, 1997;

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

(c) the number and details of Public Sector and Private Sector sick companies which are registered with the Board for Industrial and Financial Reconstruction (BIFR);

(d) the total losses suffered by them during each of the last two years;

(e) the total amount of capital investment made therein;

(f) the total number of employees affected as a result thereof; and

(g) the steps taken by the Government to remedy the situation?

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

(b) to (f) According to the 'Performance Review, 1996' of the Board of Industrial and Financial Reconstruction (BIFR), the number of sick units registered with the Board is 1853. Of these, 145 units belong to public sector undertakings (61 Central Public Sector Undertakings and 84 State Public Sector Undertakings).

The total number of workers involved in sick industrial units registered with the Board (excluding those dismissed as non-maintainable) is 11,83,432. The total network of these companies is Rs. 8,981 crore.

(g) Government has taken a number of steps for revival of industrial sickness which, inter-alia, include, guidelines of Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction under Sick Industrial Companies (Special provisions) Act, National Renewal Fund, National Equity Fund, etc.

[English]

### **Strategy for Industrial Growth**

\*257. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA:

SHRI G.A. CHARAN REDDY:

Will the Minister of INDUSTRY be pleased to state:

(a) whether concerned over the decline in the industrial growth, he has begun a series of meetings with various sector specific groups to evolve a strategy for revitalising the growth;

(b) if so, whether he has already completed discussions with the representatives of paper and cement industry;

(c) if so, the main problems pointed out by these representatives;

(d) the extent to which the Government have agreed to provide assistance to industries to overcome the difficulties; and

(e) to what extent this type of exercise has helped the Government as well as the industry in improving the industrial production?

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

(c) and (d) The main problems pointed out by the cement industry included high incidence of tax, infrastructural constraints as well as the problem of compulsory jute package order. In case of paper, the main problems indicated were inadequate availability of raw materials, technological obsolescence, infrastructural constraints and dumping by foreign suppliers. Ministry of Industry has taken up some of these issues with the concerned Ministries.

(e) Government-industry inter-action facilitates improved production.

### **Modernisation of Handloom Sector**

\*258. DR. ASIM BALA:

SHRI MADHUKAR SARPOTDAR:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have prepared any plan for modernisation of handloom sector during 1997-98;

(b) if so, the details of the project package scheme prepared for the purpose;

(c) by when the scheme is likely to be implemented; and

(d) the details of the additional incentives likely to be provided to handloom weavers?

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

(a) Modernisation of Handloom Sector is a continuous process. The Government have been taking a number of measures through various ongoing Schemes to modernise the sector.

(b) The Project Package Scheme, which has been modified recently, envisages, inter-alia, requisite assistance for provision of new/modern looms, modernisation of obsolete looms, conversion of existing looms to commercial/improved looms, provision of accessories & product adaptation/development.

(c) The Project Package Scheme has been continued during 1997-98.

(d) The additional incentives under the new Project Package Scheme are for requisite support in regard to modernisation of looms/accessories, provision of inputs and infrastructure development to augment production and marketing.

### **Amendment in Contract Act**

\*259. SHRI ANNASAHIB M.K. PATIL: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether attention of the Government has been drawn to the news item captioned "Amendments in contract Act flayed", appearing in the Hindustan Times dated May 31st, 1997;

(b) if so, the details thereof; and

(c) the corrective measures proposed to be taken by the Government to ensure that industrial and trading activities are not adversely affected as a result thereof?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b) Yes, Sir.

(c) Some representations have been received against the amendment undertaken in the Indian Contract Act, 1872. These would be examined and the corrective measures will be taken if considered necessary.

### **Asian Development Bank Assistance**

\*260. SHRI R. SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether India's infrastructure development in the

next five years would need \$ 100 billions;

(b) if so, whether the Asian Development Bank has agreed to provide the amount to India;

(c) if so, whether the Finance Minister also attended the meeting with ADB held on May 12;

(d) if so, the decisions taken at the meeting; and

(e) the extent to which India's requirement has been accepted by them?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) The Finance Minister in his capacity as the Governor for India, in his statement at the 30th Annual Meeting of the Board of Governors for Asian Development Bank at Fukuoka, Japan, held in May 1997 highlighted India's requirement of over US\$ 100 billion during the next five years for the Infrastructure Sector.

There were no specific discussion in the meeting on any particular infrastructure project or on the funding of the full infrastructure needs by ADB.

#### **Use of Bank Account of Demise**

2650. SHRI JANG BAHADUR SINGH PATEL:

SHRI I.D. SWAMI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the legal heirs of the bank account holders are not informing the bank authorities of the demise of the bank account holders in some cases and the said accounts are used by their legal heirs even after the demise of the account holders;

(b) if so, the number of cases that have come to the notice of the Government, Reserve Bank of India and the individual banks both private and public sector in the last three years; and

(c) the details thereof and the action taken thereon by the Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Reserve Bank of India (RBI)'s data monitoring system does not generate the information asked for.

According to RBI, in case of Joint accounts where the man-date for operating the accounts is 'either or survivor', the surviving holder can operate the account as he is entitled to the balance of the account in the event of death of one of the joint account holder. In case of the other joint account holder (s) where the operations are allowed either jointly by the account holders or in the case of accounts operated by a single depositor no operations are to be allowed consequent on the death of the account holder. In such cases the surviving holder(s)/nominee(s)/legal holder(s) have to satisfy the bank by producing the

requisite documents viz death certificate declaration as regards names of various legal heirs, claim application succession certificate etc. from a competent Court if large amount is involved. It is incumbent for the survivors to inform the Bank about the death of the account holder.

#### **Dilute of Prudential Norms**

2651. SHRI RAM NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve bank of India have found it necessary in January, 1997 to dilute prudential norms for loan classifications and loan provisions; and

(b) if so, the details thereof alongwith the reasons for diluting the prudential norms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Reserve Bank of India (RBI) have reported that they have issued a circular in January, 1997 to all commercial banks clarifying certain issues relating to income recognition, asset classification and provisioning and capital adequacy. These clarifications have been issued after discussion at the meeting of the Bank Audit Committee. The instructions contained in this circular are intended to eliminate practical difficulties and not to dilute prudential norms and loan classification and loan/loss provisions.

#### **SC's Directions on CBI**

2652. SHRI I.D. SWAMI: Will the Minister of FINANCE be pleased to state:

(a) whether the Supreme Court has delivered a judgement in a case of Central Bank of India last year that a course of conduct spread over sufficiently long period and involving innumerable instances is by itself a misconduct;

(b) if so, the details thereof;

(c) the number of officials in the private and public sector banks found involved for lapses in performance of their duties spread over a sufficiently long periods in the last three years; and

(d) the action taken against all such officials, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The Supreme Court of India in its judgement delivered in 1996 in a case relating to Central Bank of India had, inter-alia, observed that in the case of a bank or any other organisation, every officer/employee is supposed to act within the limits of his authority and a bank cannot function properly and effectively if its officers and employees do not observe the prescribed norms and discipline. The Court had also held that the very act of acting beyond authority—that too a course of conduct spread over a sufficiently long period and involving innumerable instances—is by itself a misconduct.

(c) and (d) The present system of data collection by Reserve Bank of India does not generate information as asked for the Question. However, according to the information readily available, action taken against delinquent employees of public sector banks for frauds during the years 1994, 1995 and 1996 is as under:-

	1994	1995	1996
(i) No. of employees convicted	50	33	46
(ii) No. of employees awarded major/minor penalty	1248	1160	1207
(iii) No. of employees dismissed/discharged/removed	360	301	331

#### State Bank of Indore

2653. SHRI AJAY CHAKRABORTY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI had imposed a penalty interest of more than one crore upon State Bank of Indore on account of serious negligence of officers in currency chest branches in Delhi in 1991 and 1992;

(b) if so, whether it is also a fact that no action has been taken till now against responsible officers;

(c) if so, the reasons therefor and proposed action against erring officers;

(d) whether it is a fact that officers in Delhi Branches of State Bank of Indore have purchased/discounted cheques beyond their limit/authority in 1995;

(e) if so, whether the Higher Management had not taken action against these erring officers; and

(f) the so, the reason therefor and proposed action against the Higher Officers—who are shielding these corrupt officers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) According to the RBI, the penal interest recovered from State Bank of Indore for wrong/delayed reporting of currency chest transactions by its branches in Delhi during the years 1991 and 1992 amounted to Rs. 34.63 lakhs.

(b) and (c) The State Bank of Indore has reported that on investigation of above matter, the Branch Head Chashier and seven officers were found accountable out of whom four officers have been served administrative warnings, two officers have been chargesheeted and awarded a penalty of "censure" and the case of the remaining one officer is under examination by the bank. The Branch Head Cashier has also been chargesheeted and awarded a penalty of Administrative warning.

(d) to (f) State Bank of Indore has reported that all the cases involving exceeding of discretionary powers in their Delhi Branches, relate to routine business transaction

and the actions of the Branch Managers were subsequently confirmed by the competent authorities. As all the cheques were purchased in the normal course of business, for genuine business transaction, no action was considered necessary by the bank.

#### Review Indo-Nepal Pact

2654. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government of West Bengal has represented the Union Government to review the Indo-Nepal pact to protect the interests of middle and small scale industries which may hit by the treaty's "duty free" clause; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) No representation has been received from the Government of West Bengal to review the provision for duty free import of products manufactured in Nepal, under the Indo-Nepal Treaty of Trade.

(b) Does not arise.

#### Female Workers

2655. SHRI MAHBOOB ZAHEDI: Will the Minister of COAL be pleased to state:

(a) the number of female workers in Coal India Limited from the date of nationalisation and as on June 30, 1997 and December 31, 1996, subsidiary-wise;

(b) whether there has been any decline in the number of female workers for the last three years;

(c) if so, rate of decline, year-wise; and

(d) the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The number of female workers on the date of nationalisation was as follows:

BCCL	22,725
CMAL	32,452
Total:	55,177

The number of female workers as on 30.6.1997 and 31.12.1996, subsidiary-wise, is as under:

Company	No. of Female workers	
	as on 30.6.1997	as on 31.12.1996
1	2	3
ECL	9,830	9,772
BCCL	11,260	11,404

1	2	3
CCL	7,708	7,695
SECL	2,958	2,882
WCL	3,549	3,445
MCL	768	757
NCL	389	387
NEC	298	289
CMPDIL	139	139
DCC	21	20
CIL (HQ)	175	174
Total	37,095	36,964

(b) and (c) Yes, Sir. There has been decline in the number of female workers in the last three years as shown below:

Year (as on 1st April)	No. of female workers
1997	37,030
1996	37,267
1995	42,227
1994	44,123
Overall Reduction (in last 3 years)	7,093
%age reduction	16.08

(d) The main reasons for decline in the number of female workers are as follows:

- (i) Natural wastage, i.e. superannuation, death etc.
- (ii) Voluntary Retirements under BPE and CIL Schemes.
- (iii) Special Female VRS.
- (iv) Resignations.
- (v) Dismissals/Terminations from employment.

[Translation]

#### Pending cases in Women Courts

2656. SHRI ASHOK PRADHAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether a large number of cases are lying pending in the Women Courts in Uttar Pradesh;

(b) if so, the number of cases pending in these Courts at present and the reasons therefor;

(c) the action being taken or proposed to be taken by the Government for speedy disposal of these pending cases; and

(d) the amount incurred by the Union Government

on setting up of these courts?

THE MINISTER OF STATE OF THE MINISTRY OF LAW & JUSTICE (SHRI RAMAKANT D. KHALAP): (a) to (d) As per information available, there are no Mahila Courts in Uttar Pradesh.

[English]

#### Production/Consumption of Salt

2657. SHRI JAI PRAKASH AGARWAL: Will the Minister of INDUSTRY be pleased to state:

(a) the production and consumption of salt in the country during each of the last three years, State-wise; and

(b) the quantity of salt exported during the said period?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) The production and consumption of salt (both edible and industrial) in the country during each of the last three years, State-wise; is given in the attached statement I and II respectively.

(b) The quantity of salt exported during the said period is as follows:

Year	Quantity exported (in thousand tonnes)
1994	472.6
1995	516.4
1996	546.8

#### Statement-I

##### Statewise Production of Salt

S.N.	State	Production in Thousand Tonnes		
		1994	1995	1996
1	2	3	4	5
1.	Rajasthan	1096.7	1526.2	1131.4
2.	Gujarat	8881.4	8824.4	10403.5
3.	Maharashtra	185.8	224.3	245.9
4.	Karnataka	21.9	17.2	18.9
5.	Tamil Nadu	2010.9	1738.8	2283.6
6.	Andhra Pradesh	262.0	139.9	276.4
7.	Goa	2.2	1.7	2.5
8.	Orissa	50.6	26.5	47.0
9.	West Bengal	14.2	19.3	21.7
10.	Himachal Pradesh	2.1	1.9	2.5
11.	Diu & Daman	16.4	23.8	32.7
Total		12344.2	12544.0	14466.1



## Statement-II

## Statewise Consumption of salt for Edible &amp; Industrial Use

All Figures in thousand tonnes

S. N.	State	1994			1995			1996		
		Edible	Industrial	Total	Edible	Industrial	Total	Edible	Industrial	Total
1	2	3	4	5	6	7	8	9	10	11
1.	Andhra Pradesh	339.7	132.0	471.7	253.4	134.9	388.3	116.8	137.1	253.9
2.	Arunachal Pradesh	3.5	—	3.5	4.1	—	4.1	8.6	—	8.6
3.	Assam	184.4	27.6	212.0	179.6	45.4	225.0	225.1	33.5	258.6
4.	Bihar	580.0	57.1	637.1	709.9	58.0	767.9	707.6	79.4	787.0
5.	Goa	3.7	—	3.7	1.8	—	1.8	2.2	0.2	2.4
6.	Gujarat	1425.9	2847.2	4273.1	188.3	3224.7	3413.0	118.7	3899.5	4018.2
7.	Haryana	5.8	74.6	80.4	39.0	60.1	99.1	17.7	48.0	65.7
8.	Himachal Pradesh	2.1	2.1	4.2	9.0	1.9	10.9	8.2	2.3	10.5
9.	Jammu & Kashmir	19.7	—	19.7	26.5	0.1	26.6	17.9	—	17.9
10.	Karnataka	164.0	127.6	291.6	161.2	82.4	243.6	80.3	102.6	182.9
11.	Kerala	161.3	87.6	248.9	137.4	108.7	246.1	203.7	69.9	273.6
12.	Madhya Pradesh	181.5	210.3	391.8	245.4	272.3	517.7	260.7	278.0	538.7
13.	Maharashtra	358.6	261.2	619.8	538.3	306.7	845.0	575.8	275.7	851.5
14.	Manipur	12.3	—	12.3	15.3	—	15.3	18.8	—	18.8
15.	Meghalaya	3.6	—	3.6	12.4	—	12.4	7.4	—	7.4
16.	Mizoram	5.0	—	5.0	3.4	—	3.4	9.8	—	9.8
17.	Nagaland	11.0	—	11.0	10.1	—	10.1	13.5	—	13.5
18.	Orissa	167.5	38.5	206.0	185.9	44.6	230.5	183.1	35.5	218.6
19.	Punjab	29.4	214.7	244.1	65.0	190.0	255.0	50.4	178.3	228.7
20.	Rajasthan	42.0	280.7	322.7	114.0	248.8	362.8	135.0	245.6	380.6
21.	Sikkim	3.3	—	3.3	6.9	—	6.9	3.9	—	3.9
22.	Tamil Nadu	676.1	384.4	1060.5	533.3	418.6	951.9	50.8	488.9	539.7
23.	Tripura	13.2	—	13.2	11.6	—	11.6	17.4	—	17.4
24.	Uttar Pradesh	606.8	137.6	744.4	653.3	191.4	844.7	694.7	152.2	846.9
25.	West Bengal	571.4	19.8	591.2	496.4	32.0	528.4	594.2	29.4	623.6
26.	Delhi	216.1	85.5	301.6	223.4	132.2	355.6	350.4	157.0	507.4
27.	Andman & Nicobar	0.2	—	0.2	0.6	—	0.6	1.0	—	1.0
28.	Chandigarh	5.2	2.0	7.2	13.5	11.2	24.7	10.9	11.9	22.8
29.	Pondicherry	1.1	30.0	31.1	3.6	27.9	31.5	8.5	27.9	36.4
	Defence	5.0	—	5.0	6.8	—	6.8	12.4	—	12.4
	Total	5799.4	5020.5	10819.9	4849.4	5591.9	10441.3	4505.5	6252.9	10758.4

**Survey to assess of Income Tax Department  
with Public**

2658. SHRI PRAKASH VISHWANATH PARANJPE:

SHRI ANANT GANGARAM GEETE:

SHRI MADHUKAR SARPOTDAR:

Will the Minister of FINANCE be pleased to state:

(a) whether some independent agencies have conducted nationwide survey to assess the attitudinal perception of the public about the Income Tax Department;

(b) if so, the outcome of the aforesaid study;

(c) whether this study shows any synchronisation with the purported projection of the Income Tax Department as a friend and guide of assesseees; and

(d) if not, reasons therefor, and steps taken by the Government to improve it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Government is not aware of any nationwide survey conducted by independent agencies on the attitudinal perceptions of the public about the Income Tax Department.

(b) to (d) In view of (a) above, question does not arise.

**Fire in Coal Mines**

2659. SHRI TARIT BARAN TOPDAR: Will the Minister of COAL be pleased to state:

(a) the details of coalmines in different subsidiaries of Coal India Ltd. where incidents of fire have been reported during each of the last three years subsidiary-wise;

(b) the loss suffered due to fire in these coalmines during the above mentioned period, subsidiary-wise;

(c) whether some of the coalmines are still burning;

(d) if so, details thereof; and

(e) the efforts made/being made by the Government to save coalmines from fire and to put down the fire in these coalmines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b) According to information furnished by Coal India Limited (CIL) the number of incidents of fire and financial loss on account of the same during the last three years (1994, 1995 & 1996) in subsidiaries of CIL are given below:-

Subsidiary Company	No. of mines where fire broke out			Financial loss (Rs. in lakhs)		
	94	95	96	94	95	96
Eastern Coalfields Ltd.	12	24	19	732	25	30
Bharat Coking Coal Ltd.	—	—	—	—	—	—
Central Coalfields Ltd.	—	—	1	—	—	—
Mahanadi Coalfields Ltd.	—	—	1	—	—	10
Western Coalfields Ltd.	4	1	2	—	—	—
South Eastern Coal fields Ltd.	—	—	—	—	—	—
Northern Coalfields Ltd.	—	—	—	—	—	—

(c) and (d) None of the above fires are active. However, 47 old active fires, 38 fires in Bharat Coking Coal Ltd. and 9 fires in Eastern Coalfields Ltd. have been isolated and are under control.

(e) Following steps are being taken to prevent/control/minimise fires in the coal mines:-

- Restricting size of panel as per incubation period.
- Regular monitoring of CO, CO<sup>2</sup> and temperature in depillaring district for early detection of spontaneous heating.
- Clearing fallen coal from old working.
- Surface blanketing of cracks and filling of pot holes.
- Provision of liquid nitrogen for emergency.
- Establishing telephonic communication from working place to surface.
- Idle day inspection of old workings.

[Translation]

**Economic Survey**

2660. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news item under the caption "Sarkar par Janta ko gumrah karne ka aarop" appearing in 'Navbharat Times' dated June 25, 1997.

(b) if so, whether the Government have done wrong analysis in its annual financial survey for the year 1996-97; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) A news item under the caption "Sarkar Par Janata Ko Gumrah Karne Ka Aarop" appeared in the Navbharat Times dated 25th June, 1997.

The pre-budget Economic Survey 1996-97 presented to the Parliament In February 97 is the most comprehensive and authentic document on the country's economy. The Survey is based on the analysis of verified data and information received from different Ministries/departments and various other sources.

[English]

### **Coir Geo-Textiles**

2661. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have accorded permission to Coir Board to participate in the international fairs/seminars etc. to promote Geo-textile in coir;

(b) if so, the details thereof;

(c) whether the Government of Kerala has requested to the Union Government regarding promotion of Geo-textile in coir;

(d) if so, the details thereof; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) For the promotion of export of Coir and coir products including coir geo-textiles, the Government accorded permission to the Coir Board to participate in the following international fairs/conferences/seminars etc. during the last two years:

- India America Expo, USA 14-16 June, 1995.
- Domotex World Trade Fair, Germany, 7-10 January, 1996.
- Annual Conference of the International Erosion Control Association, USA, 27th February-1st March, 1996.
- SAITEX World Trade Fair, South Africa, 22-26 October, 1996.
- EXPO India 96, Dubai 7-11 December, 1996.
- Domotex World Trade Fair, Germany, 11-14 January, 1997
- Annual Conference of the International Erosion Control Association, USA-22-28 February, 1997.

(c) to (e) Having regard to the fact that Kerala is the largest producer of coir and coir products, the Government of Kerala has been in touch with the Union Government for finding ways and means for the promotion of coir and coir products including coir geo-textile. The Government is

aware that coir geo-textiles have potential for export. Therefore, in consultation with the Coir Board, the Government is working on a long term export strategy, encompassing, inter-alia, in-depth study of various aspects such as the demand in the market including the market abroad, environmental angle, quality, standardisation, usage, variety, price-competitiveness etc. which have a bearing on the marketability of coir geo-textile.

### **Accidents in Coal Mines**

2662. SHRI BASUDEB ACHARIA: Will the Minister of COAL be pleased to state:

(a) the number of accidents took place in the coal mines during each of the last three years and the current year, as on date, colliery-wise;

(b) the reasons for such accidents;

(c) the number of persons killed/injured and became handicapped thereby;

(d) the amount of compensation paid to the affected persons/families; and

(e) the remedial measures taken by the Government to prevent recurrence of such accidents?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c) The number of fatal/serious accidents alongwith the reasons for such accidents that took place in the coal mines of Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) during the last three years and the current year as on date is given in attached statement I and II respectively. Information on mine-wise figures of accidents in SCCL is being collected and will be laid on the table of the Sabha.

(d) Compensation is paid to the dependents of the deceased and persons suffering permanent physical disabilities as a result of accidents as per the provisions of Workmen's Compensation Act. The total amount of compensation paid by CIL and SCCL in each of the three years and in the current year as on date is given below:

(Rupees in Lakhs)

Year	CIL	SCCL
1994	147.93	294.72
1995	138.92	290.58
1996	128.12	368.94
1997	73.81	136.88
	(upto 4.8.97)	(upto March '97)

(e) Preventive steps as laid down in the Coal Mines Regulations 1957, directives of Directorate General of Mines Safety, Expert Committee recommendations as also the recommendations of various Courts of Inquiry, Safety

Conferences, etc. are adopted by the mine managements. For better observance of these steps, Government is promoting self-regulation by coal companies through internal safety audits, workers' participation in safety management, tripartite/bipartite reviews at various levels, training and re-training of work persons, observance of safety weeks and safety campaigns and national safety awards.

#### Statement-I

*Fatal Accidents in Coal India Ltd. During 1997  
(Upto 4.8.97)*

*(Provisional-Reconciliation with DGMS in Process)*

Company	Colliery	Reasons for Accident	Killed	In- jured
1	2	3	4	5
BCCL	Akashkinaree	Fall of Person	1	0
BCCL	Angarpathra	Fall of Person	1	0
BCCL	Bhowra (South)	Haulage	1	0
BCCL	Bhowra (North)	Roof Fall	1	0
BCCL	Bhowrah (s) OCP	Dumper	1	0
BCCL	Dabibari	Haulage	1	0
BCCL	Dhansar	Dumper	1	0
BCCL	Ghanoodih	Roof Fall	2	0
BCCL	Jealgora	Roof Fall	1	0
BCCL	Joyrakpur	Roof Fall	1	0
BCCL	Keshalpur	Roof Fall	1	0
BCCL	Khas Kusumda	Side Fall	1	0
BCCL	Lohapatti	Haulage	1	0
BCCL	Muraidih OCP	Machinery other than transport	1	0
BCCL	Nichitpur	Roof Fall	1	0
BCCL	Phulari tand	Electricity	1	0
BCCL	Rajapur OCP	Dumper	1	0
BCCL	Ramkanali	Roof fall	1	0
BCCL	Tetulamari	Machinery other than transport	1	0
CCL	Ashoka OCP	Electricity	1	0
CCL	Hutar	Haulage	1	0
CCL	Jharangdih	Roof fall	1	0

1	2	3	4	5
CCL	Karo OCP	Fall of Person	1	0
CCL	KDH	Misc	1	0
CCL	Kedla OCP	Dumper	1	0
CCL	Pundi	Machinery other than transport	1	0
CCL	Saunda AK	Wagon	1	0
CCL	Saunda D OCP	Truck	1	0
CCL	Urimari	GA Dust	1	0
CCL	Urimari	Explosives	1	0
ECL	Chapapur II	Roof Fall	1	0
ECL	Chapui Khas	Explosives	1	0
ECL	Chinakuri	Other Rail Transport/haulage	1	0
ECL	Chora	Dumper	1	0
ECL	Ghosick	Machinery other than transport	1	0
ECL	J K Nagar	Fall of Person	1	0
ECL	Kherabad	Roof fall	2	0
ECL	Khottadih	Roof fall	3	2
ECL	Kumardubhi 5 K INC	Fall of person	1	0
ECL	Madhujore	Haulage	1	0
ECL	Mandherboni	Haulage	1	0
ECL	Patkobona	Haulage	1	0
ECL	Sripur	Roof fall	1	0
MCL	Deolbera	Roof fall	1	0
MCL	Deolbera	Roof fall	1	0
MCL	Jagannath OCP	Dumper	1	0
MCL	Jagannath OCP	Truck	1	0
MCL	Lingaraj OCP	Truck	1	0
NEC	Ledo	Roof Fall	1	0
SECL	Gevra	Conveyor	1	0
SECL	Jainagar New	Dumper	1	0
SECL	Jamuna OC	Roof fall	1	0

1	2	3	4	5	1	2	3	4	5
SECL	Kotma	Truck	1	0	BCCL	East Bhuggatdih	Roof fall	1	0
	Opencast				BCCL	Godhur	Haulage	1	0
SECL	Meera INC	Roof fall	1	0	BCCL	Gondudih	Fall of Person	1	0
SECL	Naryana INC	Gas Dust	2	0	BCCL	Gopalichak	Haulage	1	0
SECL	Rajnagar Old	Haulage	1	0	BCCL	Kachchi Balihari	Haulage	1	0
	INC				BCCL	Katras Ghottudih	Truck	1	0
SECL	Surakachar 5/6	Roof fall	1	0	BCCL	Kharkharee	Roof Fall	1	0
SECL	Surakachar	Fall of person	1	0	BCCL	Kooridih	Haulage/Roof Fall	3	1
	Main mine				BCCL	Kusunda	Roof Fall	4	5
WCL	Bhatadi OC	Misc	1	0	BCCL	Loyabad	Fall of Object	1	0
WCL	Chhinda	Roof Fall	1	0	BCCL	Muraidih	Machinery	1	2
WCL	Damua	Fall of Person	1	0			other than		
WCL	Durgapur OC	Conveyor	1	0			transport		
WCL	Ganapati	Side Fall	1	0	BCCL	North Tisra OCP	Dumper	2	0
WCL	Mahadeopuri	Haulage	1	0	BCCL	Patherdih	Fall of person	1	0
WCL	Shobhapur	Machinery	1	0	BCCL	Pootkee	Roof fall	2	2
		other than			BCCL	Simlabahal	Roof fall	1	0
		transport			BCCL	Victoria West	Fall of Person	1	0
					BCCL	Victoria West	Roof fall	1	0
					BCCL	West Mudidih	Electricity	1	0
					CCL	Ashoka OCP	Machinery	1	0
							other than		
							Transport		
					CCL	Ashoka OCP	Machinery	1	0
							other than		
							Transport		
BCCL	Akashkinaree	Dumpers	1	0	CCL	Bokaro	Dumper	1	0
BCCL	Alkusa	Roof Fall	2	1	CCL	Dakra Buk	Truck	1	0
BCCL	Amlabad	Dust. Gas etc	2	0		Buka			
BCCL	Angarapathera	Haulage	1	0	CCL	Dakra Buk	Truck	1	0
BCCL	Barabee	Fall of person	1	0		Buka			
BCCL	Benedih OCP	Dumper	1	0	CCL	Hendeglr	Roof fall	1	1
BCCL	Block II	Truck	1	0	CCL	KD OC	Fall of person	1	0
BCCL	Burragarh	Roof fall	1	0	CCL	KD OC	Electricity	1	0
BCCL	Dahlbari	Roof fall	1	0	CCL	Kalyani	Fall of Person	1	0

*Fatal Accidents in Coal India Ltd. During 1996*

*(Provisional-Reconciliation with DGMS in Process)*

Company	Colliery	Reasons for Accident	Killed	In- jured
---------	----------	----------------------------	--------	--------------

1	2	3	4	5
BCCL	Akashkinaree	Dumpers	1	0
BCCL	Alkusa	Roof Fall	2	1
BCCL	Amlabad	Dust. Gas etc	2	0
BCCL	Angarapathera	Haulage	1	0
BCCL	Barabee	Fall of person	1	0
BCCL	Benedih OCP	Dumper	1	0
BCCL	Block II	Truck	1	0
BCCL	Burragarh	Roof fall	1	0
BCCL	Dahlbari	Roof fall	1	0

1	2	3	4	5	1	2	3	4	5
CCL	Kargali OC	Misc	1	0	MCL	Bharatpur	Machinery	1	0
CCL	Kargali UG	Roof Fall	2	2			Other than		
CCL	Kathara	Dumper	1	0			Transport		
CCL	Sarubera	Haulage	1	0	MCL	Lingraj OCP	Dumper	1	0
CCL	Sialdih	Roof fall	1	1	MCL	Lingraj OCP	Fall of Person	1	0
CCL	Sirka	Roof fall	1	0	MCL	Shamleshwari	Dumper	1	0
CCL	Sirka UG	Roof fall	1	1		OCP			
CCL	Tarki	Dumper	1	0	MCL	Shamleshwari	Gas Dust Etc.	1	0
CCL	Urimari OC	Machinery	1	0		OCP			
		other than			MCL	Shamleshwari	Truck	1	0
		transport				OCP			
ECL	BC Inc.	Machinery	1	0	NCL	Amlohri OCP	Dumper	1	0
		other than			NCL	Jhingurdah	Gas Dust	1	0
		transport			NEC	Tipong	Haulage	2	1
ECL	Bhanora	Roof fall	1	0	NEC	Tired OCP	Truck	1	0
ECL	Dabor	Roof fall	1	0	SECL	Amlai UG	Fall of Person	1	0
ECL	Dabor	Roof fall	1	0	SECL	Chirimiri OC	Dumper	1	0
ECL	Dalora Ban	Roof fall	1	0	SECL	Chirimiri OC	Fall of person	1	0
ECL	Dhemomain	Roof fall	1	0	SECL	Jainagar III	Roof fall	1	0
ECL	Kuardih	Roof fall	1	0		& IV			
ECL	Madhaipur	Haulage	1	0	SECL	Jamuna 9 & 10	Fall of Object	1	0
ECL	Madhusudhanpur		1	0	SECL	Korea	Haulage	1	0
ECL	Nabakajora	Haulage	1	0	SECL	Kusmunda OCP	Truck	1	0
ECL	Hingra	Roof Fall	1	0	SECL	Laxman OC	Machinery	1	1
ECL	North Sirsole	Roof fall	1	3			Other than		
ECL	Pathorona	Fall of Person	1	0			transport		
ECL	Satgram Inc.	Roof Fall	4	0	SECL	Laxman OC	Electricity	1	0
ECL	Satgram Proj.	Machinery	1	0	SECL	Laxman OC	Non Transport	1	1
		other than					Machinery		
		transport			SECL	North Chirimiri	Roof fall	1	0
ECL	Sonapur	Fall of object	1	0	SECL	North Chirimiri	Roof fall	2	2
	Bazari Proj				SECL	Rajnagar RO	Fall of Object	1	0
ECL	Sonapur	Electricity	1	0	SECL	Surakachar	Misc	1	1
	Bazari Proj					3 & 4			
MCL	Balanda OCP	Fall of Object	1	0	WCL	Ambara	Roof fall	1	0

1	2	3	4	5
WCL	DRC	Roof Fall	1	0
WCL	EDC	Roof fall	4	0
WCL	Gori 1 OC	Truck	1	0
WCL	Gori II OC	Fall of Object	1	0
WCL	Pench East OC	Dumper	1	0
WCL	Pimple gaon OC	Truck	1	0
WCL	Shobhapur	Roof fall	1	0
WCL	Tava	Conveyor	1	0
Total			114	26

*Fatal Accidents in Coal India Ltd. During 1995**(Provisional-Reconciliation with DGMS in Process)*

Company	Colliery	Reasons for Accident	Killed	In- jured
1	2	3	4	5
BCCL	Akashkinaree	Non Transport Machinery	1	0
BCCL	Bararee	Dust, Gas etc.	1	0
BCCL	Bararee	Dust Gas	1	0
BCCL	Basanti Mata	Non Transport Machinery	1	0
BCCL	Bera	Inundation	3	1
BCCL	Buragarh	Fall of Object	1	0
BCCL	Damoda OCP	Dumper	1	0
BCCL	Dobari	Roof fall	1	0
BCCL	East Basuria	Haulage	1	0
BCCL	Gaslitand	Inundation	64	0
BCCL	Ganoodih	Explosives	1	0
BCCL	Govindpur	Roof Fall	1	0
BCCL	Hariladih	Site fall	1	0
BCCL	Kankari	Conveyor	1	0
BCCL	Kankari	Winding	1	0
BCCL	Katra Chuatudlh	Inundation	4	0

1	2	3	4	5
BCCL	Kesalpur	Inundation	1	0
BCCL	Kusunda OCP	Dust Gas	3	4
BCCL	Kusunda OCP	Collapse of working	1	0
BCCL	Lodna	Electricity	1	0
BCCL	Loyabad	Roof fall	1	0
BCCL	Loyabad	Roof fall	1	0
BCCL	Madhubandh	Site fall	1	0
BCCL	Narulidih	Roof fall	1	0
BCCL	Nichitpur	Inundation	2	0
BCCL	Patherdih	Roof fall	1	0
BCCL	Phularitand	Roof fall	1	1
BCCL	Rankanali	Roof fall	3	1
BCCL	S Govindpur	Inundation	3	0
BCCL	Sudamdih Inc.	Haulage	1	1
CCL	Urgada	Roof fall	1	0
CCL	Bhurkinda OCP	Non Transport Machinery	1	0
CCL	Churi	Roof fall	1	0
CCL	Dakra Buk Buka	Conveyor	1	0
CCL	Govindpur	Site fall	1	0
CCL	Hutar	Truck	1	0
CCL	Karo Special-II	Roof fall	1	0
CCL	Karo Special-II	Roof fall	2	0
CCL	Kathara OC	Electricity	1	0
CCL	KD Haslong	Non Transport Machinery	1	0
CCL	Kuju	Haulage	1	0
CCL	Pindra	Explosives	2	0
CCL	Piperwar	Truck	1	0
CCL	Rajrappa OCP	Non Transport Machinery	1	0
CCL	Raybachra	Site fall	1	0
CCL	Raybachra	Haulage	1	0
CCL	Saunda AK	Roof fall	1	0

1	2	3	4	5
CCL	Saunda D	Truck	1	0
CCL	Selected Dori	Non Transport	1	0
		Machinery		
CCL	Selected Dori	Fall of person	1	0
	OC			
ECL	Bejdih	Haulage	1	0
ECL	Chakbalaupur	Fall of person	1	3
ECL	Dalurband	Haulage	1	0
ECL	Dhemomain	Explosives	1	2
ECL	Harla Jam	Site fall	1	3
ECL	Jambad	Roof fall	1	1
ECL	Jamuria	Roof fall	1	2
ECL	Khudia	Roof fall	1	1
ECL	Khotadih	Conveyor	1	0
ECL	Madaipur	Site fall	1	0
ECL	New Kenda	Fall of person	1	0
ECL	Nutundanga	Roof Fall	1	0
ECL	Paraskoley	Fall of person	1	0
ECL	Parasia	Explosives	1	0
ECL	Sangramgarh	Roof fall	1	3
ECL	Shankarpur	Site fall	1	0
ECL	Sodepur	Roof fall	1	0
ECL	Sodepur	Site fall	2	0
ECL	Sonpur Bazari	Fall of object	1	0
MCL	Ananta OCP	Truck	1	0
MCL	Balanda OCP	Truck	1	1
MCL	Belpahar	Truck	1	0
MCL	Hingerampur	Roof fall	1	0
MCL	Jagnnath	Non Transport	1	0
		Machinery		
MCL	Kalinga OCP	Non Transport	1	0
		Machinery		
MCL	Lachkura OCP	Non Transport	1	0
		Machinery		
MCL	Orient	Roof fall	1	1

1	2	3	4	5
MCL	Talcher	Roof fall	1	0
NCL	Bina	Truck	1	0
NCL	Bina	Dumper	1	0
NCL	Gorbi	Electricity	1	0
NCL	Jayant	Electricity	1	0
NCL	Kakri	Truck	1	0
NCL	Tirap OCP	Dumper	1	0
SECL	Balgi	Conveyor	1	0
SECL	Baki Main	Roof Fall	1	0
SECL	Bisrampur OCP	Truck	1	0
SECL	Chirimiri	Explosives	2	1
SECL	Gevra OCP	Non Transport	1	0
		Machinery		
SECL	Kapildhara	Conveyor	1	0
SECL	Kapildhara	Roof fall	1	0
SECL	Katkona	Roof fall	1	0
SECL	Kumda 7/8 Inc	Haulage	0	0
SECL	Kusmunda OCP	Truck	1	0
SECL	Mahamaya	Haulage	1	0
SECL	Manikpur OCP	Misc	1	0
SECL	Navegaon	Roof fall	1	1
SECL	NCPH	Roof fall	1	0
SECL	Old Jimhan	Roof fall	1	0
SECL	Rajendera UG	Roof fall	2	0
SECL	Rajgamar 6/7	Roof fall	1	1
	INC			
SECL	Rajnagar OCP	Truck	1	0
SECL	West Chirimiri	Air Blast	2	1
SECL	West Chirimiri	Site Fall	1	0
	7/8			
SECL	West	Haulage	1	0
	Jhagrakhand			
WCL	Chanda Meta	Roof fall	1	1
WCL	Chhinda	Roof fall	1	0



1	2	3	4	5
WCL	Dhamuan	Fall of object	1	0
WCL	EDC	Roof fall	1	1
WCL	Gori OCP 1	Site fall	1	0
WCL	Sasti OCP	Truck 1	1	0
WCL	Sasti UG	Site fall	1	1
WCL	Sasti UG	Haulage	1	0
WCL	Sukri	Roof fall	1	0
WCL	Umrer OCP	Non Transport Machinery	1	1
Total:			195	34

*Fatal Accidents in Coal India Ltd. During 1994*

Company	Colliery	Reasons for Accident	Killed	In- jured
1	2	3	4	5
BCCL	Aashknaree OCP	Other than tran.	1	0
BCCL	Bararee	Winding	4	0
BCCL	Basdeopur	Roof fall	1	0
BCCL	Bastacollah	Roof fall	1	0
BCCL	Bhowrah North	Roof Fall	1	0
BCCL	Bhowrah South	Fall of object	1	0
BCCL	Block II OCP	Dust Gas	2	0
BCCL	Damagoria	Truck	1	0
BCCL	Damagoria OCP	Fall of Person	1	0
BCCL	Dobari	Fall of Person	1	0
BCCL	E. Bhugadih 11/12	Other than tran.	1	0
BCCL	E. Bhugadih	Roof fall	2	0
BCCL	East Katas	Side fall	1	0
BCCL	Gopalichak	Haulage	1	0
BCCL	Hurrladih	Roof fall	1	0
BCCL	Hurrladih	Roof fall	1	0
BCCL	Jealgora	Fall of Person	1	0
BCCL	Joyrampur OCP	Other than tran.	1	0
BCCL	Kulya	Roof fall	1	1

1	2	3	4	5
BCCL	Lodna	Roof fall	1	0
BCCL	Loyabad	Side fall	1	0
BCCL	Muraidih colliery	Truck	1	0
BCCL	North Amlabad	Roof fall	1	0
	Project			
BCCL	Phularitand	Truck	1	0
BCCL	Rajapur OCP	Dumper	1	0
BCCL	Ram Kanali	Side fall	1	0
BCCL	Ramkanali	Dumper	1	0
BCCL	Sendra Bansjora	Fall of Person	1	0
BCCL	South Tisra	Explosives	1	0
BCCL	South Tisra OCP	Dumper	1	0
BCCL	Tetulmari	Roof fall	2	1
CCL	Amlo	Dumper	1	0
CCL	Bhurkunda OC	Explosives	3	1
CCL	Bokaro Colly	Fall of person	1	0
CCL	Bokaro OC	Fall of person	1	0
CCL	Bokaro OC	Truck	1	0
CCL	Bokaro OC	Dumper	1	0
CCL	Churi O/C & U G	Haulage	1	0
CCL	Giddi A OCP	Other than tran.	1	0
CCL	Giddi-C	Truck	1	0
CCL	New Selected	Fall of person	1	0
	Dhori			
CCL	Rajrappa project	Other than ' .	1	0
CCL	Ray Bachha	Roof fall	1	0
CCL	Rohini project	Electricity	1	0
CCL	Saunda D (East)	Truck	1	0
CCL	Saunda D (East)	Haulage	1	0
CCL	Saunda D (East)	Haulage	1	0
CCL	Saunda D (East)	Fall of person	1	0
CCL	Sayal D OCP	Other than tran.	1	0
CCL	Sirka *	Fall of Object	1	0
CCL	Swang	Fall of Person	1	0
CCL	Tarni OC	Other than tran.	1	0

1	2	3	4	5	1	2	3	4	5
ECL	Bajna	Other than tran.	1	0	SECL	Dhanpuri	Other than tran.	1	0
ECL	Chora OCP	Dumper	1	0	SECL	Dhelwadi	Conveyor	1	0
ECL	Dalurband	Fall of Object	1	0	SECL	Govinda	Roof fall	1	0
ECL	Dubeswari	Explosives	1	0	SECL	Katkona 1/2	Side fall	1	0
ECL	Ghanshyam	Haulage	1	0	SECL	Kotma West,	Roof fall	6	1
ECL	Gouangdih Begunia	Roof fall	1	0		Jamuna 3/			
ECL	Kuardih	Roof fall	1	0	SECL	Kusmunda Project	Lamoslide	1	0
ECL	Manderboni	Fall of Object	2	0	SECL	Marikpur OC	Truck	1	0
ECL	Mandman	Roof Fall	1	0	SECL	Pali Project	Roof fall	1	3
ECL	Methani	Fall of Object	1	0	SECL	Palki Marra Inc.	Roof fall	1	0
ECL	Mlthapur	Roof fall	1	0	SECL	Rajgamar	Roof fall	1	0
ECL	Mithapur	Misc	1	0		8 & 7 Inc.			
ECL	Mohanpur OCP	Dumper	1	0	SECL	Surakachar 3/4 Inc	Explosives	1	2
ECL	New Kenda	Dust, Gas	55	0	WCL	Ballapur	Haulage	1	0
ECL	New Kenda	Haulage	1	0		U/G 3 & 4			
ECL	New Kenda	Fall of Person	1	0	WCL	Damua U/G	Side fall	1	0
ECL	Parascole west	Haulage	1	0		24 & 25			
ECL	Parbelia	Haulage	1	0	WCL	Kamptee OCP	Dumper	1	0
ECL	Rajmahal Proj.	Dumper	1	0	WCL	Mohan	Dust, Gas	1	0
ECL	Samla No. 3 Inc	Haulage	1	0	WCL	New Majri No 3	Roof fall	1	0
ECL	Shyam Sundarpur	Haulage	1	0	WCL	Pipla	Conveyor	1	0
ECL	Shyam Sundarpur	Dust Gas	1	0	WCL	PKD 1	Roof fall	1	1
ECL	Siduli	Dumper	1	0	WCL	Rajur Pits	Roof fall	1	1
ECL	Sonepur Bazari	Side fall	1	0	WCL	Rawanwara 8 Inc.	Side fall	1	0
	Proj.				WCL	Rawanwara Khas	Roof fall	1	2
NCL	Lajkura	Truck	1	0	WCL	Silewara	Haulage	1	0
NCL	Dudhichua OCP	Other than tran.	1	0	WCL	Silewara AD	Haulage	1	0
NCL	Gorbi B	Dumper	1	0		Incline			
NCL	Khadia OCP	Other than tran.	1	0	WCL	Vishnupuri Mine	Haulage	1	0
NCL	Nigahi OCP	Dumper	2	0		No. 2			
SECL	Amlai OC	Truck	1	0	WCL	Vishnupuri OC	Dumper	1	0
SECL	Banki	Roof fall	1	1	WCL	Waini	Fall of Overhan	1	0
SECL	Birsingpur	Haulage	1	0	WCL	Waini	Roof fall	3	1
SECL	Chirimiri OC	Collapse of wor.	1	0					
SECL	Churcha (West)	Roof fall	3	0	Total			186	15

**Statement-II***Accidents in Singareni Collieries Company Limited***Fatal accidents** (as on 6.8.97)

Reason	1994		1995		1996		1997	
	A	F	A	F	A	F	A	F
Roof fall	12	23	8	11	7	7	8	8
Side fall	4	5	-	-	2	2	5	5
Rope hauglage	9	9	2	2	5	5	3	3
Machinery	2	2	1	1	5	5	1	1
Explosives	1	1	1	1	1	1	-	-
Electricity	1	1	-	-	-	-	1	1
Fall of Person	2	2	1	1	1	1	2	2
Fall of object	3	3	-	-	3	3	1	1
Fall of coal	-	-	-	-	-	-	-	-
Other causes	4	4	5	5	4	5	2	2
<b>Total</b>	<b>38</b>	<b>50</b>	<b>18</b>	<b>21</b>	<b>28</b>	<b>29</b>	<b>23</b>	<b>23</b>

**Serious Accidents** (As on 5.8.97)

Reason	1994		1995		1996		1997	
	A	I	A	I	A	I	A	I
Roof fall	22	27	25	26	11	14	5	5
Side fall	19	20	5	6	16	16	4	4
Rope haulage	58	58	49	49	38	38	20	20
Machinery	4	5	3	3	1	1	-	-
Explosives	3	4	1	1	4	4	2	2
Electricity	1	1	-	-	-	-	-	-
Fall of Person	75	75	53	53	34	34	23	23
Fall of object	34	34	21	21	17	17	8	8
Fall of coal	8	8	9	9	4	4	-	-
Extremity caught	3	3	-	-	-	-	-	-
Air-blast	-	-	1	13	-	-	-	-
Other causes	19	19	10	10	19	19	7	7
<b>Total</b>	<b>246</b>	<b>254</b>	<b>177</b>	<b>191</b>	<b>144</b>	<b>147</b>	<b>69</b>	<b>69</b>

A = Accidents

F = Fatalities

I = Seriously injured

**Shortage of Coins**

2663. SHRIMATI LAKSHMI PANABAKA:

DR. T. SUBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether there has been a shortage of Rs. 2, Re. 1 and 50 paise coins in Andhra Pradesh particularly in the twin cities of Hyderabad;

(b) if so, whether the RBI has pointed out that there is a limited stock of coins available with it and that is the main reason for shortage;

(c) whether it has been reported that the brokers have taken advantage of it; and

(d) if so, the steps the Government propose to take to make available the coins and also check the malpractices by the traders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) There is a temporary shortage of coins of Rs. 2, Re. 1 and 50 paise in the country. The Government Mints are being modernised to increase the supply of coins to the public. As a short term measure, Government has decided to import 700 million pieces of Re. 1 and 300 million pieces of Rs. 2 coins.

The Reserve Bank of India has taken the following steps to guard against blackmarketing of coins:

(i) Security Officers restrict entry into the banking halls to about 50-60 persons at a time and ensure that they leave as soon as their work is over.

(ii) General public requiring small quantities are given preference during the first two hours i.e. from 10 A.M. to 12 noon.

(iii) Arrangements have been made to distribute coins from selected branches of public sector banks located in various parts of the country.

[Translation]

**Coal Scam**

2664. SHRI LALIT ORAON: Will the Minister of COAL be pleased to state:

(a) whether the attention of the Government has been drawn towards the news-item which appeared in a Hindi daily "Ranchi Express" dated May 30, 1997 under caption, "Jalawan Koyala mein croron ka ghotala";

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

(c) the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c) The news-item appearing in the Hindi daily 'Ranchi Express' dated May 30, 1997 alleged irregular allocation of soft coke by the office of the Coal Controller in February, 1995. Coal India Limited has been asked to conduct a thorough investigation to bring out the facts of the case.

[English]

**Target of Loan for Tribal Areas of Rajasthan under PMRY**

2665. SHRI BHERU LAL MEENA: Will the Minister of INDUSTRY be pleased to state:

(a) whether any target has been fixed for providing loan to the youths belonging to scheduled tribes areas under 'Prime Minister Rozgar Yojana' for self Employment;

(b) if so, the number of scheduled tribe and other backward class youths in the State to whom the loan has been provided during each of the last three years;

(c) whether the progress was monitored after providing loan;

(d) if so, the details thereof; and

(e) the number of youths to whom the loan under PMRY was provided during each of the last three years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Prime Minister Rozgar Yojana envisages 22.5% reservations for Scheduled Castes and Scheduled Tribes combined. The State/UT Govts. allocates district-wise targets out of the target allocated to it by the Central Government.

(b) Statement-I giving number of Scheduled Tribes and other backward classes youths sanctioned and disbursed loans during 1994-95, 1995-96 and 1996-97 in Rajasthan is attached.

(c) and (d) The progress of the scheme is monitored at the District Level by District PMRY Committee, at the State Level by the State PMRY Committee and at the Central Level by the High powered Committee. An evaluation of the scheme is under progress. Surveys have also been conducted by the Reserve Bank of India.

(e) Statement-II giving number of youths sanctioned and disbursed loan under Prime Minister Rozgar Yojana during 1994-95, 1995-96 and 1996-97 in Rajasthan and as on All-India level is attached.

**Statement-I**

*Number of Scheduled Tribes and other backward Classes Youths sanctioned and disbursed loan in Rajasthan during 1994-95, 1995-96 and 1996-97 under Prime Minister's Rozgar Yojana as reported by the State Government*

Year	Scheduled tribes		Other Backward Classes	
	Sanctioned loans (Nos.)	Disbursed loans (Nos.)	Sanctioned loans (Nos.)	Disbursed loans (Nos.)
1994-95	276	66	1686	412
1995-96	418	231	2250	1258
1996-97	465	182	2238	945

**Statement-II**

*Number of Youths sanctioned and disbursed loan in Rajasthan and in All India during 1994-95, 1995-96 and 1996-97 under Prime Minister's Rozgar Yojana as reported by States/UTs*

	1994-95		1995-96		1996-97	
	Sanct- ioned loan (Nos.)	Disbur- sed loan (Nos.)	Sanct- ioned loan (Nos.)	Disbur- sed loan (Nos.)	Sanct- ioned loan (Nos.)	Disbur- sed loan (Nos.)
Rajasthan	7666	5152	10273	6796	10632	5455*
All India	198221	142144	299333	214748	288710	163397*

\*Disbursements for the year 1996-97 are still continuing.

**Branches of I.T.P.O.**

2666. SHRI SIBU SOREN: Will the Minister of COMMERCE be pleased to state:

(a) whether Indian Trade Promotion Organisation is going to establish its branches in all the State Capitals and in several foreign countries as well;

(b) if so, the details thereof;

(c) the number of staff employed at I.T.P.O., category-wise, branch-wise;

(d) whether a number of cases of promotion of SC/ ST staff of I.T.P.O. are pending for more than five years; and

(e) if so, details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) Except its already existing 5 Overseas Offices and 6 Regional

Offices in India, I.T.P.O. has no proposal at present to establish any new branch elsewhere.

(b) Does not arise.

(c) Headquarter/Branch Offices	Category-wise/Group of post				
	A	B	C	D	Total
HQS at New Delhi	165	94	437	496	1192
Mumbai	7	4	26	7	44
Bangalore	1	1	4	1	07
Chennai	2	2	3	2	09
Calcutta	-	1	2	1	04
Kanpur	1	-	2	1	04
New York	2	-	1	-	03
Frankfurt	1	-	1	-	02
Tokyo	1	-	1	-	02
Dubai	1	-	1	-	02
Moscow	1	-	1	-	02
Grand Total:	182	102	479	528	1271

(d) Group	SC		ST	
	No.	%	No.	%
A	29	15.93	8	4.39
B	20	19.60	4	3.92
C	94	19.62	16	3.34
D	199	39.17	5	0.98

(e) There is no case of eligible SC/ST candidate for consideration against clear vacancy, pending for more than 5 years.

(f) Does not arise.

[Translation]

#### Training to Educated Unemployed in the field of Export

2667. SHRI RAJESH RANJAN ALIAS PAPPU YADAV: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have formulated or proposed to formulate any scheme to encourage self employment among the educated unemployed youths in the field of exports and also to boost exports;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (c) The information is being collected and will be laid on the table of the House.

[English]

#### Export of Spices

2668. SHRI R. SAMBASIVA RAO: Will the Minister of COMMERCE be pleased to state:

(a) whether spices exports have crossed Rs. 1000 crores to register the all time high of Rs. 1,180 crores during 1996-97 by exporting of 2.19 lakh tonnes;

(b) the total overall achievement of the target fixed for 1996-97;

(c) the export of chilli during 1995-96 and to what extent it was more during 1996-97; and

(d) the target fixed for 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) During 1996-97, 2,19,400 MTs of spices valued at Rs. 1180.00 crores were exported against an export target of 1,95,840 MTs of spices valued at Rs. 824.00 crores. The overall achievements of the target for 1996-97 is 112% in quantity and 143% in value terms.

(c) Export of chillies during 1995-96 and 1996-97 was 56,073 Tonnes valued at Rs. 194.15 crores and 51,900 Tonnes valued at Rs. 209.64 crores respectively.

(d) The target fixed for 1997-98 for export of spices is 2,25,000 Tonnes valued Rs. 1200.00 crores.

#### Export to Bangladesh Through North Eastern States

2669. SHRI BADAL CHOUDHURY:

SHRI SUSHIL CHANDRA:

Will the Minister of COMMERCE be pleased to state:

(a) the export made from the seven North-Eastern States to Bangladesh, Burma and Thailand during the last three years;

(b) the action taken by the Union Government to increase the trade between North Eastern States and East Asian countries;

(c) the routes opened for export; and

(d) whether the officials of the countries, with whom trade relations have to be developed, have been appointed in North Eastern States so as to maintain coordination in import and export and to expeditiously obviate the difficulties arising from time to time?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) Ministry of Commerce do not maintain state-wise data of exports. The total export from India to Bangladesh, Burma and Thailand during the last three years are given below:

Country	Exports in Rupees (In Cr.)		
	1994-95	1995-96	1996-97
Burma	71.10	100.94	140.61
Thailand	1276.65	1581.91	1577.09
Bangladesh	2024.13	3509.09	2912.41

(b) The Central Government in its Export-Import Policy (1997-2002), have provided that Export Houses, Star Trading Houses etc. will be given special Import Licences at 1% of the total turnover from the North Eastern States. The other steps which have been taken to facilitate trade between the North Eastern States and East Asian Countries, include banking, customs, immigration and other trading arrangements including border trade.

(c) The border trade via Moreh in Manipur corresponding to Tamu in Myanmar has been operationalised from 12.4.95. The border trade via the second point, as envisaged in the Border Trade Agreement between India and Myanmar, Viz Champai in Mizoram corresponding to Rih in Myanmar is likely to be operationalised as soon as the infrastructural facilities and other arrangements are completed.

(d) No, Sir. At present there is no such proposal.

#### India's International Trade

2670. SHRI SURESH PRABHU: Will the Minister of COMMERCE be pleased to state:

(a) the growth in India's international trade in terms of volume and value during each of the last three years;

(b) whether the Government have drawn up any new strategy to boost the foreign trade including identification of products and prospective markets including exports diversification; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) The growth in India's international trade in terms of value of exports in US\$ is as follows:-

	Exports	Imports
1994-95	18.4%	22.9%
1995-96	20.8%	28.0%
1996-97 (P)	4.1%	5.1%

The volume growth in India's international trade as

reflected by the quantum index is available for the years 1994-95 & 1995-96 from the DGCI&S and gives the following growth rates:-

	Exports	Imports
1994-95	14.0%	24.0%
1995-96	31.1%	26.2%

(b) and (c) The Ministry is preparing a medium-term export strategy covering sectoral and directional strategy aspects including export diversification for achieving an accelerated export growth. The objective of medium-term strategy is to achieve sustained exports worth \$75-90 billion by 2002 and to attain one per cent share of world exports. The strategy is based on extensive analysis of data and interaction with trade and industry.

#### Acquisition of Land

2671. SHRI ANIL BASU: Will the Minister of COAL be pleased to state:

(a) whether for the last several years, BCCL had been reporting that the plot No. 177 of Mouza Lodna, Distt. Dhanbad, did not belong to the Lodna colliery and is thus not a part of nationalised coal company and now it has been proved that this entire land belongs to Lodna Colliery and is thus a nationalised property;

(b) if so, the details of the action taken against such misreporting and depriving thereby the nation of its assets for so long; and

(c) the action taken to take possession of the said land and its property?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) In the year 1982, BCCL had reported that Plot No. 177 of Mouza Lodna over which the premises of Shalimar Tar Plant were situated was owned by M/s. Shalimar Tar Products Limited and not by Lodna Colliery of BCCL. This stand was based on the available papers/documents in possession of BCCL pertaining to the various lands which it inherited by virtue of nationalisation of coking coal mines.

Subsequently search for the relevant documents was carried out and it was revealed that Plot No. 177 was recorded in the name of erstwhile M/s. Turner Morrison and Co. Ltd. the Managing Agents of M/s. Lodna Colliery Co. Ltd. which was nationalised in 1971. Thus plot no. 177 stands vested with BCCL under relevant provisions of the Coking Coal Mines (Nationalisation) Act, 1971.

(b) The report of 1982 was based on the information available at that time. As the land records were not available readily, there was delay in finding out the status of the ownership of the land. As such this is not a case of mis-reporting.

(c) BCCL filed an eviction suit in 1991 vide case no. 101/91 in the Court of Estate Officer which was decided

in favour of BCCL. However, the owner of M/s. Shalimar Tar Products Ltd. has gone in appeal in the Court of the Distt. Judge of Dhanbad. The case is now pending in the Court of ADJ-IV, Dhanbad. Thus the matter is sub-judice.

**Representation Against New India Assurance Company Ltd.**

2672. SHRI SOUMYA RANJAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry has received representations from Employees Associations and Members of Parliament against victimisation of Trade Union functionaries by the management of New India Assurance Company Ltd. for their highlighting corruption and malpractices at various level; and

(b) if so, the action taken or proposed to be taken to prevent victimisation and to undo the injustice done to the trade union functionaries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) These complaints were looked into both from vigilance and audit angles and necessary investigation has been carried out. In the light of the outcome of the report, the management of the Company did not find any irregularity. The report is also under investigation by the General Insurance Corp. of India. A senior executive from Head Office had also discussed the matter with the Trade Union functionary as well as the Officer Incharge in Delhi Region and during discussions, he assured that there need not be any apprehension in their mind about harassment or victimisation.

**Coal Mining Operation by Eastern Coalfields Ltd.**

2673. PROF. JITENDRA NATH DAS: Will the Minister of COAL be pleased to state:

(a) whether Eastern Coalfields Ltd. has been carrying out coal mining operation outside the leasehold areas inspite of objections from the Government of West Bengal;

(b) if so, the details thereof; and

(c) the action taken by the ECL to regularise the same?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c) The coal mining rights are acquired by the nationalised coal companies including Eastern Coalfields Limited (ECL) under the Coal Mines (Nationalisation) Act, 1973, the Mines and Minerals (Regulation and Development) Act, 1957 and the Coal Bearing Areas (Acquisition and Development) Act, 1957. The ECL have not been carrying out coal mining operations in any area within the State of West Bengal without the mining rights acquired under any of the above-cited acts.

[*Translation*]

**Pension to LIC Employees**

2674. SHRI RADHA MOHAN SINGH:

DR. RAMESH CHAND TOMAR:

SHRI DEVI BUX SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether Life Insurance Corporation of India does not provide pension to its employees under Pension Scheme;

(b) if so, the reasons therefor;

(c) whether the Government are considering to provide pension to the employees of Life Insurance Corporation of India; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) A Pension Scheme has already been introduced for the employees of LIC with effect from 1.11.1993. This scheme is applicable to those retired after 1.1.1986. The details are contained in the LIC (Employees) Pension Rules, 1995 which were laid on the Table of the House on 8.12.1995.

**P.L.S. Finance of Delhi**

2675. SHRI RATILAL KALIDAS VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government have been drawn towards the news-item captioned "P.L.S. Company ka mamla C.B.I. ko" appearing in the *Hindustan* (Hindi daily) dated June 21, 1997;

(b) if so, the details of the alleged fraud done by the company with the investors;

(c) whether the Prime Minister has handed over the investigation work to the Central Bureau of Investigation regarding large scale fraud with investors committed by the P.L.S. Finance of Delhi, a financial company; and

(d) if so, the time by which the action is likely to be taken by the Government against the company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) to (d) Reserve Bank of India have reported that PLS Technical Ltd. is a non-banking, non-financial company. The company is alleged to have accepted deposits from a number of depositors by offering high returns. It is further alleged that a number of cheques issued by the company to its depositors were returned unpaid. A representation has also been received by the Prime Minister in the matter. Investigations have been initiated by the local police in the

matter on the basis of complaint filed by some depositors. Central Bureau of Investigation have initiated necessary action to take over these investigations.

[English]

### **Multinational Companies**

2676. SHRI SUSHIL CHANDRA: Will the Minister of FINANCE be pleased to state:

(a) whether the percentage of actual investment is not satisfactory as compared to the approval of investment granted by the Government;

(b) if so, the details thereof;

(c) whether the multinational companies have taken over the Indian companies by purchasing their shares;

(b) if so, the details thereof alongwith the number of such cases came to the notice; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) As against the FDI approvals amounting to Rs. 105957.00 crores (excluding Euro-Issue of Rs. 15832.00 crores) between 1991 to 1997 (upto May), the actual FDI inflow is Rs. 26619.00 crores (upto May 1997). This indicates an approval inflow ratio of roughly 4:1. However, gestation period of projects vary and mega-projects (Power, Refinery etc.) take much longer. Excluding mega-projects (which involve nearly 50% of FDI approved), the approval: inflow ratio is 2:1 which is reasonable. The inflow is showing an ever increasing trend i.e., from Rs. 351 crores (1991) to Rs. 675 crores (1992), Rs. 1787 crores (1993), Rs. 2982 crores (1994), Rs. 6370 crores (1995), Rs. 8441 crores (1996) and Rs. 6012.84 crores (upto May 1997). The inflow is Rs. 8441 crores during 1996, which is more than the total FDI inflows of the last 4 years. This trend indicates increasing rate of FDI inflows.

(c) to (e) Increase in foreign equity in the existing Indian Companies is allowed in cases where request is supported by Resolution of the Board of the existing company. During the post policy period i.e. from August 1991 to May 1997, total number of 494 cases for increase in equity involving Foreign Direct Investment of Rs. 8777.91 crores have been approved.

### **Isolation in Global Trade**

2677. SHRI B. L. SHANKAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are aware of the news item as appeared in Times of India dated the July 20, 1997 captioned "India risks isolation in global trade arena";

(b) if so, the details of the news item; and

(c) the steps taken by the Government to save the country from isolation in the global trade during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (c) Yes, Sir. The news item referred to in the question mainly deals with the consultations held in the Committee on Balance of Payments Restrictions of the World Trade Organisation (WTO) with India on the quantitative restrictions on imports maintained by India under the provisions of Article XVIII:B of the General Agreement of Tariffs and Trade (GATT) 1994. The news item mentions that India risked isolation in the global trade arena by refusing to notify an internationally acceptable time frame for eliminating barriers, and that the collapse of the talks has prompted global trade powers, including the EU, the US, Canada, Australia, New Zealand and Switzerland to initiate dispute settlement proceedings against India.

Government of India has presented to the WTO Committee on Balance of Payments Restrictions a plan for the elimination of residual quantitative restrictions on imports maintained under Article XVIII:B of the GATT. This plan was discussed at the meeting of the Committee held on 10-11 June, 1997 and at the resumed meeting held on 30 June-1 July, 1997, when due to divergence of opinion among Members of the Committee, with some Members stating that the overall time period over which restrictions would be eliminated was too long and some Members stating that the Indian plan was workable, the consultations concluded without consensus. Therefore, it may not be correct to state that India was isolated during the deliberations of this Committee.

Some of the Members that had expressed the view that the time period under India's plan was too long, namely, Australia, Canada, the European Communities, New Zealand, Switzerland and the United States of America, in separate requests, have sought formal consultations with India under Article XXII of GATT 1994 and the Understanding on Rules and Procedures Governing the Settlement of Dispute (DSU) alleging that continued maintenance of quantitative restrictions on imports for balance of payments purposes by India when there have been improvements in India's balance of payments is inconsistent with India's obligations under the WTO. India has accepted the requests for consultations. There are indications that the complainants would like to work towards a mutually acceptable solution. India's approach to these consultations would also be similar.

### **Compensation to fishermen by Insurance Companies**

2678. SHRI K.P. NAIDU:

SHRI AJMEERA CHANDULAL:

Will the Minister of FINANCE be Pleased to state:

(a) whether any representations have been received by the Government regarding making inordinate delay in paying compensation to the fishermen by the insurance companies whose boats sank into the sea as a result of storm in Andhra Pradesh; and



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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Few representations were received regarding settlement of claims as a result of cyclone in Andhra Pradesh. For speedy settlement of these claims, GIC had set up an Inter Company Machinery. Press advertisements were given and special booths were set up for speedy processing and settlement of claims. As a result of these measures out of 165 claims filed by the fishermen whose boats sank into the sea, 96 claims have been settled. Out of pending 69 claims, 41 claims are under process and for remaining 28 claims, investigation/survey reports and other related documents by claimants are awaited. The matter is being continuously followed up by insurance companies.

#### **Expenditure Management and Reform Commission**

2679. SHRI LINGARAJ VALYAL: Will the Minister of FINANCE be pleased to state:

(a) whether high level expenditure management and reform Commission has submitted its report;

(b) if so, the details thereof; and

(c) the highlights of the report?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SATPAL MAHARAJ): (a) to (c) The Expenditure Management and Reforms Commission has not yet been set up.

[Translation]

#### **Hurdles in Industrial Growth**

2680. SHRI JAYSINH CHAUHAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether there are some hurdles in the way of industrial growth in the country;

(b) if so, the details thereof;

(c) the steps proposed to be taken by the Government to remove those hurdles;

(d) the reasons for low rate of capital formation in the country;

(e) whether the Government propose to improve in capital formation for Industrial growth;

(f) if so, the details thereof; and

(g) if not, reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) The growth rate of industrial production in 1996-97 witnessed deceleration mainly due to under performance of crude petroleum, electricity, fertilizers, consumer durables and capital goods sectors and also the high cost of capital. Some Sector specific policies had

already been initiated in under performing sectors. The credit policy announced by RBI has improved availability of credit at softer terms to industry. Initiatives have also been taken in Union Budget for further improving the investment climate and for accelerated overall industrial growth.

(d) to (g) the overall Gross Domestic Capital Formation was 27.4% of Gross Domestic Product in 1995-96 as compared to 26.0% in 1994-95 and 23.6% in 1993-94. Reduction in corporate and personal income tax and incentives to investment introduced in the Union Budget is expected to further improve the capital formation in the country.

[English]

#### **Court Cases Relating to Women**

2681. SHRI CHAMAN LAL GUPTA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of court cases relating to women pending in Jammu and Kashmir as on date; and

(b) the specific efforts being made by the Government for speedy disposal of pending cases and provide complete justice to women?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b) The information is being collected and will be laid on the Table of the House.

#### **Council of Medical Research**

2682. SHRI YELLAIAH NANDI: Will the Minister of FINANCE be pleased to state:

(a) whether the assessment scheme with regards to promotion for technical staff of Indian Council of Medical Research is pending with the Government (Ministry of Finance) for its approval;

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

(c) the time by which the final decision is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) A proposal for introduction of an assessment scheme for technical staff of ICMR was considered and returned to the Administrative Ministry pending decision of the Government on the recommendations of the Fifth Central Pay Commission.

#### **Post Harvest Operation Scheme**

2683. SHRI RAMAKANT YADAY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have taken a decision to discontinue the Post harvest operation scheme under the food ministry;

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

(c) whether any review was made of the works undertaken under this scheme;

(d) if so, the details thereof; and

(e) the manner in which the Government propose to utilize the expertise of the 700 Scientists/employees working under this scheme after scrapping of this scheme and the measures taken at the national level to monitor the quality of the foodgrains?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) The post harvest operation scheme is one of the schemes identified for being weeded out by the Committee constituted in the Ministry of Finance to identify schemes which are redundant and non-essential. Such schemes have been conveyed to the concerned Ministry/Departments for further action. Food Ministry is to take appropriate follow-up action as far as this scheme is concerned.

#### **Trade with Saudi Arabia**

2684. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of COMMERCE be pleased to state:

(a) whether there is a huge imbalance of trade between India and Saudi Arabia;

(b) if so, the reasons therefor;

(c) whether a two day meeting of Indo-Saudi joint commission was held recently in New Delhi;

(d) if so, the areas so identified to reduce this huge imbalance of trade; and

(e) the steps taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) The bilateral trade between India and Saudi Arabia was Rs.11933.43 crores in 1996-97. While Imports from Saudi Arabia were Rs. 9931.35 crores, Exports were Rs. 2002.08 crores, leaving a huge trade balance in favour of Saudi Arabia. It is mainly on account of oil imports of India from that country.

(c) to (e) Yes, Sir. A Two day meeting of Indo-Saudi Joint Commission was held recently in New Delhi on 11-12th June, 1997. For further expanding the existing level of bilateral trade, the two sides identified possibilities for cooperation in the fields of transport, agricultural equipment, software, construction materials, food and agricultural products, drugs and pharmaceuticals, petro-chemicals and pharmaceuticals. Both sides agreed to encourage participation of private sector in bilateral trade and joint ventures, exchange of commercial information, exchange of commercial delegations, and participation in trade fairs, to boost the bilateral trade.

#### **PMRY Schemes in North-east (Assam)**

2685. DR. ARUN KUMAR SARMA: Will the Minister of FINANCE be pleased to state:

(a) whether Lead Bank are reluctant to finance the PMRY Schemes in the North-East, particularly Assam, because of non-recovery of loan sanctioned earlier;

(b) if so, the number of schemes pending with different banks, in Assam since last three years and the steps initiated by the Ministry for its clearance;

(c) whether the entire 15 Nos. PMRY Schemes taken up for implementation during last financial year in Lakhimpur District of Assam were rejected by UBI on similar ground; and

(d) if so, the measures proposed to be taken in future so that entrepreneurs can avail this opportunity of self-employment and the required financial support of ensured through alternative arrangement?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The performance of banks in the North Eastern Region including Assam State during the last three years as furnished by Reserve Bank of India (RBI) is given in the attached statement-I, II and III. RBI has further reported that in a review meeting held recently, banks inter alia pointed out lack of adequate infrastructure facilities and poor recovery performance in the State of Assam. However, the banks have sanctioned loans under PMRY at around 55% of the target in Assam State and 60% in North Eastern Region as a whole during 1996-97

(b) RBI has reported that the cases pending with the banks in the North Eastern Region including Assam State as on 31st March during the last three years are as under:

Year	No.
1994-95	1254
1995-96	3252
1996-97	3014

Bank have been advised by RBI to take up the cases pending at the close of programme year i.e. 31st March for sanction in the next programme year.

(c) and (d) United Bank of India has reported that out of 208 sponsored proposals in Lakhimpur District in 1996-97, 55 proposals were rejected, inter-alia on account of the following reasons:

(i) Non Viability

(ii) Delayed sponsoring

(iii) Eligibility criteria (Income/educational qualification) not fulfilled

(iv) Default in earlier loans

(v) Covered by other Schemes already in operation

It may be added that Special Cell has been created in RBI to look into the improvement of flow of credit to the North Eastern Region.

**Statement-I**

*Prime Minister's Rozgar Yojana for Educated Unemployed Youth (PMRY)—Programme Year 1994-95  
Report showing cumulative position in the quartered ended 31st March, 1995*

Name of the Bank : All Scheduled Commercial Banks in North Eastern Region

(Rs. in Lakhs)

Name of the State/Union Territory	Target	No. of applications received	Total Loans Sanctioned			Total Loans Disbursed		
			No.	Amount	% of Col. 4 to 2	No.	Amount	% of Col. 7 to 4
1	2	3	4	5	6	7	8	9
Assam	6600	7481	5582	4209.90	84.6	2575	1832.76	46.1
Manipur	2000	2316	1834	1175.90	91.7	398	324.05	21.7
Meghalaya	300	350	282	187.40	94.0	91	55.59	32.3
Nagaland	250	237	205	183.59	82.0	126	94.25	61.5
Tripura	1000	1171	775	626.95	77.5	83	54.02	10.7
Arunachal Pradesh	250	254	159	98.30	63.6	90	15.02	61.6
Mizoram	250	392	193	165.13	77.2	11	7.89	5.7

**Statement-II**

*Prime Minister's Rozgar Yojana for Educated Unemployed Youth (PMRY)—Programme Year 1995-96  
Report showing cumulative position for the year ended March, 1996*

(Rs. in Lakhs)

Name of the Bank : All Scheduled Commercial Banks in North Eastern Region

Name of the State/Union Territory	Target	No. of applications received	Total Loans Sanctioned			Total Loans Disbursed		
			No.	Amount	% of Col. 4 to 2	No.	Amount	% of Col. 7 to 4
1	2	3	4	5	6	7	8	9
Assam	10125	11868	8781	6773.13	86.8	7478	5404.77	85.1
Manipur	4000	1974	1272	1113.24	31.8	1134	820.85	89.2
Meghalaya	550	601	534	115.77	97.1	391	211.67	73.2
Nagaland	300	312	295	228.78	98.3	292	210.49	99.0
Tripura	1300	1799	1407	964.85	108.2	673	432.79	47.8
Arunachal Pradesh	300	305	256	190.81	85.3	226	139.07	88.3
Mizoram	250	350	250	230.99	100.0	215	162.04	86.0

## Statement-III

Prime Minister's Rozgar Yojana for Educated Unemployed Youth (PMRY)—Programme Year 1996-97

Name of The Bank : All Scheduled Commercial Banks

(Amount: Rs. in Lakhs)

Name of the State/ Union Territory	Target*	Appli- cations received	Application Sanctioned		% to target	Applications disbursed		% in Sanction	Appli- cation Pending
			No.	Amount		No.	Amount		
1	2	3	4	5	6	7	8	9	10
Assam	15000	12517	8307	6404.69	55.4	3611	2179.99	43.5	1909
Manipur	3000	2327	1908	1437.76	63.6	1048	786.01	54.8	109
Meghalaya	825	472	417	324.96	50.5	133	61.52	31.9	28
Nagaland	450	411	380	248.21	84.4	293	142.00	77.1	21
Tripura	1950	2627	1553	1073.23	79.6	288	124.8	18.5	692
Arunachal Pradesh	450	418	387	264.89	86.0	106	67.17	27.4	15
Mizoram	375	572	217	200.78	57.9	17	14.45	7.8	183

## Textile Workers Rehabilitation Fund Scheme

2686. SHRI CHURCHILL ALEMAO: Will the Minister of TEXTILES be pleased to state:

(a) the date from which the Textile Workers Rehabilitation Fund Scheme was introduced, the year-wise allocation made thereunder and the number of textile workers covered under the Scheme, year-wise;

(b) the number of applications for compensation under the scheme are pending with the Textiles Commissioners, region-wise and mill-wise;

(c) the details of mills in public, private, joint and co-operative sector to which this scheme has been extended and the number of mills covered thereunder, region-wise, and

(d) the details of the mills to which this scheme is proposed to be extended?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):  
(a) and (b) A statement is attached.

(c) The benefit under the scheme has so far been extended to 28 private sector mills only. The region-wise break-up is given below :

Region		No. of mills to whom benefit has been given (under TWRFS)
(i)	Regional Office, Mumbai.	3
(ii)	Regional Office, Ahmedabad.	22
(iii)	Regional Office, Coimbatore.	2
(iv)	Regional Office, Amritsar.	1
Total		28

(d) Proposals in respect of two private sector mills, namely M/s. Binod Mills and M/s. Mettur Textiles Ind.Ltd. have been received and the issue of eligibility is being examined.

## Statement

(a) Textile Workers Rehabilitation Fund Scheme came into force w.e.f. 15.9.86. The year-wise allocation and number of workers covered under the Scheme are given below:

Year	Textile Workers' Rehabilitation Fund allocated by Ministry of Textiles (Rs./Crore)	No. of workers covered as reported by the State Govt/Official Liquidator/ Workers Union Association (The figures indicated below are subject to verification/scrutiny of eligibility of the workers on receipt of application from the individual worker. Hence the figures are variable.)
1988-89	4.00	3145
1989-90	4.00	10184
1990-91	24.00	20849
1991-92	10.00	3806
1992-93	16.40	2500
1993-94	10.82	6976
1994-95	5.46	9228
1995-96	3.15	—
1996-97	5.89	—
1997-98	10.21	2882
(upto July, 1997)		

(b) 3425 applications in Regional Office of the Textile Commissioner, Ahmedabad are pending. Number of applications pending mill-wise is given below :-

Name of the mill	No. of applications pending
1. M/s. Bharat Suryoday Mills	23
2. M/s. Prasad Mills	2
3. M/s. Ahmedabad Ramkrishna Mills	1
4. M/s. Ahmedabad Jubilee Mills	3
5. M/s. Aryodaya Gng. & Mfg. Co. Ltd.	2
6. M/s. Kalol Mills	1
7. M/s. Ahmedabad Commercial Mills	3
8. M/s. Aryodaya Spg. Mills	1
9. M/s. Amruta Mills	5
10. M/s. Vivekananda Mills	8
11. M/s. Vijay Mills	473
12. M/s. Nutan Mills	761
13. M/s. Aruna Mills	1012
14. M/s. Rustam Mills	481
15. M/s. New Rajpur Mills	649
<b>Total</b>	<b>3425</b>

### Purchasing Through ACASH

2687. SHRI NAND KUMAR SAI: Will be Minister of TEXTILES be pleased to state:

(a) whether the Government of Bihar had signed a memorandum of understanding with the (ACASH) Association of the Corporation and Apex Societies of Handloom for purchase of sarees and dhoties for the poor worth Rs. 200 crores produced in the handloom sector;

(b) whether ACASH has so far supplied some sarees and dhoties made on powerlooms to the Bihar Government while claiming/certifying these as handloom products;

(c) whether a pair of saree and dhoti produced on a powerloom costs only Rs. 110/- as against Rs. 160/- on handlooms;

(d) if so, the details thereof; and

(e) the action taken or proposed to be taken against the guilty officials of the Government found involved in the above irregularities?

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

(a) Yes, Sir.

(b) 14.12 lakh pieces of sarees and 16.99 lakh pieces of dhoties produced on handlooms have been supplied.

(c) to (e) The Government of Bihar has approved supplying of handloom saree and dhoti @ Rs.87.50 per piece and Rs. 73.00 per piece respectively. A pair costs Rs. 160.50. The supplies are made accordingly.

### Ghosh Committee

2688. SHRI G.L. KANAUIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve bank of India had set up a Committee under the Chairmanship of Shri Ghosh to enquire into the various aspects of frauds and malpractices in Public Sector Banks;

(b) if so, whether the Committee recommended lateral mobility of senior executives amongst Public Sector Banks, by way of inter-bank transfers, in scale V and above, in order to remove any nexus developed over the years between them and the staff working down in hierarchy lines;

(c) if so, the time by which the Government propose to implement this recommendation of the committee; and

(d) whether in the light of recent observations made by the apex court in a Bank Scam case the Government propose to reconsider the extension or second term granted to the Chariman of various Public Sector Banks, so as to minimise the chances of frauds and malpractices, as per the suggestions made by the Ghosh Committee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Yes, Sir.

(c) In terms of the recommendations made by a Committee appointed by RBI to look into the recruitment methods and practices in the public sector banks, it has been decided to permit lateral mobility within banks in the senior/middle management levels by way of deputation in order to harness the talent available within the public sector banks.

(d) No specific recommendation has been made by the Ghosh Committee regarding grant of extension/second term to Chariman & Managing Directors of nationalised banks. The Chariman & Managing Directors of nationalised banks are appointed in accordance with the provisions contained in the relevant statutes governing the banks. They are appointed generally for a period of five years and they are normally considered for re-appointment for a further period of five years or upto their attaining the age of 60 years whichever is earlier. There are no directions of the Supreme Court on this issue.

#### Loan Sanctioned By IDBI

2689. SHRI RAJKESHAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the amount of loans sanctioned by the Industrial Development Bank of India has declined during the last three years;

(b) if so, the details thereof, yearwise;

(c) the reasons therefor; and

(d) the measures taken or proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Industrial Development Bank of India (IDBI) has reported that there was a significant increase in aggregate sanctions of IDBI from Rs. 12,287 crore in 1993-94 to Rs. 18,335 crore in 1994-95. However, the sanctions declined by 3.1% in 1995-96 and 4.2% in 1996-97. The sanctions and disbursements of IDBI during 1993-94 to 1996-97 are given below:

(Rs. Crore)

	Sanctions	Disbursements
1993-94	12287	8300
1994-95	18335	10711
1995-96	17796	10693
1996-97	17050	11439

(c) IDBI has reported that decline in sanctions during 1995-96 was mainly due to changes in business mix of IDBI. During 1994-95, a substantial part of the business (20%) was accounted for by bridge loans and short term products. During 1995-96, due to tight liquidity conditions and ban on bridge loans by RBI the aggregated sanctions registered a decline.

Further, the decline in sanctions during 1996-97, was largely due to subdued investment climate for large projects and decline in operations under non-project loans and capital market products.

(d) IDBI has reported that growth in sanctions under direct finance in the earlier years was led by sanctions to large projects in the newly-opened industrial sectors for private investment, viz. power, telecom, oil refining as also iron & steel. With large capacities already under implementation in the steel and oil refining sectors, there were few projects in these sectors seeking assistance during 1996-97. There are, however, a number of projects in the pipeline in the power and telecom sectors and it is expected that sanctions by IDBI for these sectors may pick up significantly. As for non-project finance, following larger allocation to financial institutions by RBI to raise short term resources, IDBI has introduced a new product to provide working capital finance to assisted units.

#### Mining Rights to Nippon

2690. SHRI AMAR PAL SINGH: Will the Minister of COAL be pleased to state:

(a) whether some irregularities in giving mining rights to Nippon Denro Ispat Ltd. group (NDIL) near the Bhadravati Ordnance Factory in Maharashtra in 1993 have come to the notice of the Government;

(b) if so, the details thereof;

(c) whether the Government have enquired into the matter;

(d) if so, the particulars of the persons found guilty in this regard;

(e) the action taken or proposed to be taken against them; and

(f) the measure taken or proposed to be taken to check such irregularities in future?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c) No, Sir. Before a lease for mining coal can be granted by the State Government, the previous approval of the Central Government is required to be obtained under proviso to Section 5 (1) of the Mines and Minerals (Regulation and Development) Act, 1957. As the previous approval of the Central Government to the grant of the lease for coal mining in Baranj block near the Ordnance Factory, Chandrapur has not been accorded, the Government of Maharashtra could not have granted the lease or mining rights to the Central India Coal Company Limited (CICCO), a company set up by the Nippon Denro Ispat Limited (NDIL) for mining of coal in Baranj block offered in October, 1993 to the company for captive consumption in Bhadravati Power Project to be set up by NDIL.

In April, 1997, Department of Defence Production & Supplies, Ministry of Defence, Government of India advised that the Centre for Environment and Explosive Safety had

expressed their apprehension in July, 1996 about the safety of the product of Ordnance Factory, Chandrapur caused by the proposed blasting in opencast coal mine in Baranj block offered to NDIL in October, 1993. On receipt of the advice, the Ministry of Defence was informed that coal mining in about 40 coal mines with a total reserve of about 1000 million tonnes is going on within a radius of 25 Kms. from the Ordnance Factory, Chandrapur for production of 18 million tonnes of coal per year for many years and that Ministry of Coal was not advised over the past three decades of any adverse effect of such mining activity on the Ordnance Factory. Ministry of Defence was also requested to inform the Ministry of Coal on the law prohibiting mining operations within a radius of 25 Kms. from Ordnance Factories. The response from Ministry of Defence is awaited.

(d) to (f) Do not arise in view of answer given to paras (a) and (b).

#### **Unauthorised Tea Gardens in West Bengal**

2691. SHRI AMAR ROY PRADHAN: Will the Minister of COMMERCE be pleased to refer to reply given to Unstarred Question No. 1603 dated the August 16, 1995 and state:

(a) the check maintained in respect of quality of tea being produced by unauthorised tea gardens in various districts of Darjeeling, Uttar Dinajpur, Jalpaiguri and Govebehar;

(b) whether due to the inferior quality of tea produced by such gardens bring bad name for our country in the International Market; and

(c) the steps Government propose to take to check mushrooming of unauthorised tea gardens?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) No complaint has been received by the Tea Board about production of inferior quality of tea in the gardens of West Bengal. All tea has to conform to specifications laid down in the prevention of Food Adulteration Act, 1954.

(c) Land and its use are regulated under laws made by the State Governments who enforce them and prevent misuse of land.

#### **TWRF Scheme**

2692. SHRI MRUTYUNJAYA NAYAK: Will the Minister of TEXTILES be pleased to state:

(a) whether the office of Regional Textile Commissioner, Amritsar vide D.O. No.8(331)/IND/Tex/ASR/ 169-70 dated June 17, 1993 regarding release of compensation to the victims of closed unit M/s Himachal Worsted Mills Ltd., Nalagarh under the TWRF scheme had stated that the compensation under the scheme will be released to these workers after the receipt of budget from the competent authority as the matter has been under consideration of the competent authority;

(b) if so, how the Government have stated in reply given to USQ No. 603 dated July 25, 1997 that the TWRF scheme has not been extended to the Government sector mills and the justification therefor;

(c) the action proposed against the officials found negligent in this regard; and

(d) the steps taken to immediate release of payment to these affected workers?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b) Yes, Sir. Government of India operates the Textile Workers' Rehabilitation Fund Scheme (TWRFS) to provide interim relief to workers rendered jobless due to permanent/partial closure of the mills. The scheme has not so far been extended to Central and State Textile PSUs and this matter is still under consideration.

(c) and (d) Do not arise in view of the above.

#### **Promotion of Officer who is Under CBI Investigation**

2693. SHRI P.S. GADHAVI: Will the Minister of FINANCE be pleased to state:

(a) attention of the Govt. is invited to a news-item captioned "CBI soft pedals Sensitive Case" appeared in the Indian Express dated the June 30, 1997 and state:

(b) the circumstances under the named officer was promoted and posed at priced place when the CBI investigation were underway and findings thereof not yet completed;

(c) whether any responsibility has been fixed under the circumstances; and

(d) if so, the details thereof and the action taken or being taken for its proper investigation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) The Officer referred to in the news item captioned "CBI soft pedals sensitive case" that appeared in the Indian Express dated the June 30, 1997 has not been promoted yet and posted to any place in higher position.

In view of above, the question of fixing of responsibility and action against those responsible for the alleged promotion of the officer referred to in the news-item does not arise.

#### **Fifth Pay Commission Report**

2694. SHRI SOMJIBHAI DAMOR: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 5030 dated May 7, 1997 and state:

(a) the punitive action taken against M/s. Bahari Brothers and Nabhi Publications for printing and publishing of Fifth pay Commission Report without permission of the Government;

(b) whether any survey has been conducted in regard to illegal publication and sale of Government Publications by private publishers;

(c) if so, the findings thereof, and if not, the reasons therefor; and

(d) the steps being taken by the Government to curb such illegal trade practices?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) Information is being collected from the Department of Personnel and Training and the Ministry of Urban Affairs and Employment and will be laid on the Table of the House.

#### **Advance Ruling Authority**

2695. SHRI SONTOSH MOHAN DEV: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to set up an advance ruling authority for customs and excise and a directorate of valuation;

(b) if so, the details thereof; and

(c) the justification for setting up such bodies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) There is no proposal as yet to set up any advance ruling authority. However, a Directorate of Valuation (Customs & Central Excise) has been set up at Mumbai vide an Order dt. 2.6.97.

(b) and (c) The Directorate of Valuation will initially concentrate on issues relating to under valuation and valuation frauds in the context of customs valuation of imported goods. Subsequently, it will also look into the aspects of central excise valuation. The Directorate would disseminate information with regard to international prices to various customs formations and monitor the valuation practices. Presently, a Commissioner level officer heads the Directorate and he is assisted by a compliment of staff. The Directorate has been set up in an effort to tackle under valuation and valuation frauds, particularly in relation to imports, with the purpose of having greater intelligence in customs valuation matters and to check manipulation in customs valuation.

[Translation]

#### **Amlo Project**

2696. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of COAL be pleased to state:

(a) whether the Government are aware of sensational robbery incident in Amlo project;

(b) if so, the details thereof;

(c) whether the vigilance wing of the Central Coal Fields Ltd. has started enquiry into this;

(d) whether the enquiry has since been completed; and

(e) if so, the number of departmental officers and other persons against whom action has been taken/proposed to be taken?

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

(b) On 5th July, 1994 at about 1.30 a.m. four robbers entered into the Cash Section of Amlo Project office of Central Coalfields Limited (CCL) by overpowering the security guard on duty at the main gate. The robbers entered into the strong room, broke open the safe and cash boxes inside the safe and took away an amount of Rs. 7.5 Lakhs approximately.

(c) Yes, Sir.

(d) Yes, Sir.

(e) A First Information Report has been lodged with the Bermo Police Station. Moreover, major penalty proceedings have been initiated against five executives and six non-executives of CCL on various charges of negligence in duty.

[English]

#### **Circular to Honour Bhansali Cheques**

2697. SHRI SANAT MEHTA:

SHRI AJAY MUKHOPADHYAY:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news item appearing in the Statesman, Calcutta dated June 17, 1997 captioned "CGM asked all SBI branches to honour Bhansali cheques;

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

(c) whether a circular was issued as alleged, on Feb. 13, 1997 by the Chief General Manager of State Bank of India, Mumbai circle; and

(d) if so, the content of the circular and its administrative propriety?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) to (d) State Bank of India (SBI) has informed that according to the bank's normal practice, a circular was issued after approval of the facility of 'at par' encashment of fixed deposit refund orders/interest warrants/brokerage warrants to CRB capital Markets Ltd. by the concerned sanctioning authority (in this case the Deputy General Manager of Mumbai Main Branch of the bank). The Circular was issued by the Banking Operations Department, Mumbai Local Head Office under the signature of the Circle Financial Officer. All circular instructions, after sanction at appropriate levels, are issued with the legend "for Chief



General Manager" (being the head of the Mumbai Circle Establishment) by various designated officials in the Local Head Office. In this case, the designated/authorised official was the Circle Financial Officer. All aspects relating to facilities granted to CRB Capital Markets by SBI are being inquired into and are also under investigation by the CBI and as such it is not possible to comment on the correctness of the action taken in this case.

[*Translation*]

#### **Banks in Gujarat**

2698. SHRI N.J. RATHWA: Will the Minister of FINANCE be pleased to state:

(a) the number of private and nationalised banks operating in Gujarat, particularly in tribal dominated areas, as on date;

(b) the status of deposits with these banks during 1994-95, 1995-96 and 1996-97 and the amount of loans provided to the people of Gujarat particularly in the tribal dominated districts;

(c) whether these banks have achieved the target fixed for receipt of deposits and loan distribution; and

(d) if not, the reasons therefor and the number of people particularly from tribal dominated areas who have benefited by the loans distributed during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (b) According to Reserve Bank of India (RBI), the number of private banks and nationalised banks operating in the tribal districts of Gujarat State as also the outstanding deposits and credit as on the last Friday of March for the years 1994, 1995, 1996 and 1997 are given below:

(Amount in Rs. Lakhs)

Name of District	Bank Group	No. of banks as on 31.3.97	1994 Deposits	1994 Credit	1995 Deposits	1995 Credit	1996 Deposits	1996 Credit	1997 Deposits	1997 Credit
Bharuch	Nationalised Banks	13	27.97	17.38	39.76	21.01	38.90	18.46	45.29	23.43
	Private Bank	0	—	—	—	—	—	—	—	—
Dangs	Nationalised Bank	1	0.68	0.20	0.79	0.19	0.91	0.25	1.13	0.28
	Private Bank	0	—	—	—	—	—	—	—	—
Panch Mahals	Nationalised Bank	7	17.75	13.25	20.87	16.66	22.14	18.82	26.36	19.90
	Private Bank	0	—	—	—	—	—	—	—	—
Valsad	Nationalised Bank	15	114.03	29.10	131.41	91.89	152.00	46.32	178.57	38.01
	Private Bank	2	—	—	—	—	0.17	0.04	0.82	0.96

(c) and (d) The present data reporting system of RBI does not generate this information.

[*English*]

#### **Performance of NBS**

2699. SHRI NARAYAN ATHAWALAY: Will be Minister of FINANCE be pleased to state:

(a) the performance of Nationalised banks for 1996-97 by standard norms and trends emerging in performance

profile review over the last three years;

(b) the details regarding a series of measures taken during the last three years to improve the performance of Nationalised Banks particularly steps taken during 1996-97 and results achieved;

(c) the status of amount involved in frauds/scam/financial bungling/non-performing assets/bad-debt-Nationalised Bank wise for the last three years and steps taken to check abnormal trends; and

(d) the details of Rehabilitation package formulated/ under execution for sick Nationalised Banks-Bankwise and progress made in execution with results achieved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) As reported by Reserve Bank of India (RBI), the net profit of the nationalised banks during the year 1996-97 was Rs. 1359.57 crores (provisional). There has been an overall improvement in the performance of the nationalised bank during the last three years. While in 1994-95, eight banks have reported net losses, the number had come down to seven during 1995-96 and during 1996-97 only three banks have reported net losses (including Indian Bank which is yet to finalise their account).

(b) Government of India/Reserve Bank of India (RBI) have taken various steps to improve the overall functioning of the banks which will lead to higher profitability, security for the deposits and customers. These steps include emphasis on mobilisation of low cost-deposit, minimise high cost certificate of deposits, reduce the level of non performing assets, increase in staff productivity, refraining from increase in fresh capital expenditure by loss making banks, to increase number of branches having computerised/automated, rationalisation or organisational structure etc.

(c) NPAs of nationalised banks during the last three years are given in the statement-I attached. Readily available data in regard to frauds is given in the statement-II attached.

Bank have set up recovery cells at head quarters under a General Manager. Recoveries are monitored on monthly basis by CMD. Branch-wise recovery targets are fixed.

Monitoring of recovery is done by the Board of Directors on a quarterly basis. Quality of assets is also reviewed by the Board of Directors periodically. Eight debt recovery tribunals have been set up to expedite settlement of bank dues. RBI has also introduced off-site supervision alongwith on-site inspection of banks.

These banks, at the instance of Government and Reserve Bank of India (RBI) have taken several steps from time to time for 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.

(d) While the banks are taking steps to improve the performance and enhance recovery of NPAs, Government of India have also recapitalised weak banks to help them achieve eight percent capital adequacy. During 1996-97, Central Bank of India, Punjab & Sind Bank and Vijaya Bank who had reported losses during 1995-96 have reported profit. Losses of UCO Bank and United Bank of India have come down. It is also expected that Indian Bank will report loss of lower magnitude as compared to the losses reported for the year 1995-96.

UCO Bank have entered into Memorandum of Understanding with their respective unions/associations for ensuring their cooperation for turnaround. United Bank of India and Indian Bank have also discussed the matter with their respective unions/associations for turnaround strategy.

#### Statement-I

##### *Position of Non-Performing Assets*

(Rs. in Crore)

Name of the Bank	1993-94		1994-95		1995-96	
	Amount	% to total advances	Amount	% to total advances	Amount	% to total advances
1	2	3	4	5	6	7
Allahabad Bank	1025.03	24.74	1235.11	26.88	1255.00	23.98
Andhra bank	520.78	23.35	377.65	14.30	332.20	11.61
Bank of Baroda	2630.16	18.77	2689.68	16.58	2840.09	16.16
Bank of India	3772.00	29.96	2961.00	20.66	2434.00	14.49
Bank of Maharashtra	647.67	36.23	734.59	25.71	694.26	21.87
Canara Bank	1653.00	18.22	1523.00	12.93	2647.32	17.93
Central Bank of India	2443.00	35.29	2154.78	24.98	2420.00	23.91
Corporation Bank	259.01	16.41	260.01	11.69	251.83	9.67

1	2	3	4	5	6	7
Dena Bank	564.00	22.51	557.00	17.34	541.00	14.70
Indian Bank	2040.51	26.79	2102.41	24.09	3140.00	34.15
Indian Overseas Bank	2175.18	37.75	2001.41	26.85	2020.00	22.59
Oriental Bank of Commerce	210.95	8.00	221.94	6.14	271.30	5.68
Punjab & Sind Bank	637.28	31.63	619.32	22.53	957.53	27.70
Punjab National Bank	2179.03	21.41	2033.00	17.01	2518.00	18.74
Syndicate Bank	1409.60	29.40	1452.97	27.48	1311.75	20.97
UCO Bank	1961.81	34.61	1745.60	29.40	1839.52	24.54
Union Bank of India	693.49	12.87	695.95	9.41	945.86	10.38
United Bank of India	1509.00	45.95	1309.68	36.90	1401.00	38.00
Vijaya Bank	532.88	26.96	439.40	17.47	545.38	20.36
Total	27064.38	25.84	25114.50	19.98	28366.04	19.52

**Statement-II**

*Bank-wise number of frauds detected in nationalised banks and the amount involved therein during the years 1994, 1995 and 1996*

(Rs. in Lakhs)

Sl. No.	Name of the Bank	Number of Frauds			Amount involved		
		1994	1995	1996	1994	1995	1996
1	2	3	4	5	6	7	8
1.	Allahabad Bank	39	48	14	2343.58	105.32	121.19
2.	Andhra Bank	25	41	07	131.00	523.80	4.80
3.	Bank of Baroda	159	114	23	2905.71	1151.74	120.49
		15*	10*		528.63	52.85	
					+U.Sh9844000		
4.	Bank of India	215	156	48	728.62	496.82	122.30
		11*	04*	01*	988.51	8.84	4.65
5.	Bank of Maharashtra	50	31	08	465.11	1891.65	43.73
6.	Canara Bank	217	167	49	1402.21	1953.01	43.11
7.	Central Bank of India	130	73	38	347.46	188.64	19.50
8.	Corporation Bank	38	23	07	38.28	86.13	4.16
9.	Dena Bank	22	14	06	1049.62	140.04	18.42
10.	Indian Bank	60	37	14	286.26	83.08	34.23
11.	Indian Overseas Bank	71	43	10	356.97	326.92	5.39
12.	Oriental Bank of Commerce	14	12	04	230.88	630.80	1.94

1	2	3	4	5	6	7	8
13. Punjab National Bank	118	56	27	2008.36	212.70	191.05	
14. Punjab & Sind Bank	17	17	04	163.26	74.38	14.11	
15. Syndicate Bank	103	109	22	1371.80	782.43	22.68	
16. Union Bank of India	39	59	18	336.54	251.71	131.53	
17. United Bank of India	43	40	09	171.09	41.21	23.80	
18. UCO Bank	58	74	08	416.89	374.17	26.84	
19. Vijaya Bank	32	39	12	45.93	147.77	2.19	

\*Outside India U.Sh = Uganda Shillings.

[Translation]

#### Customer Services in SBI

2700. SHRI VISHVESHWAR BAHGAT:

SHRI MAHESH KUMAR M. KANODIA:

Will the Minister of FINANCE be pleased to state:

(a) whether the customer service in State Bank of India is very unsatisfactory and as a result, the customers are getting attracted towards private banks;

(b) the regional office-wise number of complaints received from the public regarding the working of State Bank of India during the last three years; and

(c) the number of employees and officers against whom action has been taken on the basis of these complaints and the nature of action?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) State Bank of India (SBI) have reported that it has been consistent endeavour of the Bank to provide the best customer service to the constituents. The Bank has further reported that on account of the large spread of the branches and enormous volume of transactions, it is possible that customers complaints can and do arise. The Bank has set up cells/ Departments to look into and expeditiously settle complaints received. There is no evidence to indicate that customers have left SBI and have moved to private sector banks. On the other hand the large branch net-work and the variety of services offered to widely varied clientele has ensured that customers remain with SBI.

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

[English]

#### Numbers of Banks Fallen in CRB Scam

2701. SHRI MADHAVRAO SCINDIA: Will the Minister of FINANCE be pleased to state:

(a) the number of nationalised banks been found to have fallen prey to the CRB Scam; and

(b) the steps have since been taken to recover the money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) CRB Capital Markets Ltd. (CRBCML) was granted a facility, by the Mumbai Main Branch of State Bank of India, of encashment at par, of warrants issued by the company in repayment of fixed deposits, interest payable thereon and brokerage warrants at all branches of State Bank of India. The company had agreed, inter-alia, to prefund the relative accounts ensuring that the accounts have sufficient balance when the warrants were presented for payment. However, the company fraudulently overdraw the account by an amount of over Rs. 58 crores (provisional). The company has also overdrawn its interest warrant account and brokerage warrant account with the Capital Markets Division, Mumbai Main Office of Bank of Baroda by about Rs. 1.90 crores (provisional). The company also enjoyed credit facilities from some public sector banks and the exposure of these banks is presently estimated to be in the region of Rs. 12 crores.

Consequent upon a petition filed by the Reserve Bank of India under section 45 MC of the Reserve Bank of India Act, the Delhi High Court has appointed a Provisional Official Liquidator. The Liquidator has initiated steps to crystallize the assets and liabilities of the company. He is being assisted by the officials of RBI, CBI and some public sector banks in this regard. The issue of settlement of claims of creditors, including banks, would proceed as per the provisions of law and the directions of the Delhi High Court.

#### PNB Scam

2702. SHRI MANGAL RAM PREMI:

SHRI JAI PRAKASH (HARDOL):

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "HC notice to PNB over alleged scam" appearing in the *times of India* dated November 16, 1996;

(b) if so, the details thereof;

(c) whether the bank furnished the details of the Court;

(d) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) Government have seen the news item referred to in the Question. The news item refers to a notice issued by the Delhi High Court on 15.11.1996 in respect of a Writ Petition filed by All India New Bank of India Employees Federation alleging certain financial irregularities. Punjab National Bank (PNB) has reported that in the light of directions given by the Delhi High Court, it has filed its reply in April, 1997 furnishing details of proceedings initiated and the action taken by the bank in respect of allegations made in the petition. The bank has also reported that the Petition is pending in the High Court and the matter is subjudice.

#### **Long Time Outstanding Debit Entries**

2703. SHRI RAM SAGAR: Will the Minister of FINANCE be pleased to state:

(a) the number of long outstanding debit entries in the inter-branch accounts and whether the inspectors were made responsible to make a special mention thereof in their inspection reports;

(b) if so, the number of long outstanding debit entries still outstanding in the inter-branch accounts of the banks and the time by which all these entries are likely to be sorted out;

(c) whether such unadjusted entries in inter-branch accounts were vulnerable to fraud and if so, any cases of frauds have taken place in this area; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) According to Reserve Bank of India (RBI), the number of long outstanding debt entries upto 31.3.1996 in the inter-branch accounts of public sector banks (PSBs) as on 31st March, 1997 were 9.68 lakhs entries.

RBI further reported that while conducting annual financial inspection of public sector banks, their inspecting officers do look into the aspects relating to the pending entries in inter branch accounts and offer their comments.

In order to expedite reconciliation of long outstanding entries in inter branch accounts of PSBs, RBI had advised Chief Executives of all PSBs vide their communication

dated 20.6.95 prescribing a time frame for adjusting the pending entries.

(c) and (d) According to the RBI, unreconciled debit entries for a long time can be a fraud-prone area. It has been further stated by RBI that seven fraud cases involving Rs. 1 crore and above have been reported by banks from January, 1996. While in one case the entire amount has been recovered, in other cases complaints have been lodged by the bank with the police/CBI.

[*Translation*]

#### **Better Services By Foreign Banks**

2704. SHRI RAMENDRA KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the foreign banks provide better services and higher rate of interest than the Indian Nationalised Banks; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) There are differences in the operations of foreign banks and Nationalised Banks on account of their size, the network of branches, the nature of services offered, the varied clientele, the location of branches, the levels of technology, recruitment pattern and other relevant consideration. As regards rate of interest, foreign banks operating in India have to offer/charge rates of interest on deposits/advances in conformity with the directives issued by Reserve Bank of India to all commercial banks.

[*English*]

#### **Container Freight Station**

2705. SHRI T. GOPAL KRISHNA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to develop container freight station for the Visakhapatnam Port Trust; and

(b) if so, the time by which the job is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) Yes, Sir. An Inter-Ministerial Committee (IMC) is functioning to accord approvals for setting-up of Inland Container Depots (ICDs)/Container Freight Stations (CFSs) in the Country. The said IMC had cleared a proposal of the Central Warehousing Corporation (CWC) for setting-up of a CFS at Visakhapatnam Port. The CWC is going ahead with the construction within the port trust limits and it is expected that the facility could be ready during next year.

#### **Export of Coffee**

2706. SHRI N. DENNIS: Will the Minister of COMMERCE be pleased to state:

- (a) whether coffee exports are proposed to be brought under open General Licence Schemes;
- (b) if so, the details thereof;
- (c) if not, the reasons thereon; and
- (d) the steps taken to keep the price at reasonable level?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (d) Coffee is a freely exportable commodity subject to the provisions of the Coffee Act, 1942, which stipulates that no coffee can be exported from India without the authorisation granted by the Coffee Board. The export price realised is a function of international demand and supply. Presently, the international prices are quite remunerative for exporters and growers.

[Translation]

#### **Export of Sugar**

2707. PROF. PREM SINGH CHNDUMAJRA:

SHRI NITISH KUMAR:

Will the Minister of COMMERCE be pleased to state:

- (a) whether the Government have fixed any target for export of sugar during 1996-97;
- (b) if so, the details thereof;
- (c) whether the Agricultural and Processed Food Products Export Development Authority has not issued licences for the export of aforesaid fixed target of sugar;
- (d) if so, the reasons therefor; and
- (e) the quantum of sugar for which export licences have been issued during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (e) A quantity of 2.50 lakh metric tonnes of free sale sugar out of 1996-97 season's production has been released by the Government for export against Registration-cum-Allocation Certificates (RCACs) to be issued by the Agricultural and Processed Food Products Export Development Authority (APEDA) for which a Trade Notice was issued by the APEDA on 17.2.97. A quantity of 94,342 Metric tonnes of sugar was allocated by the APEDA against applications received in response to this Trade Notice. Another Trade Notice was issued by the APEDA on 25.4.97 inviting applications for issue of RCAC's for the balance quantity of 1,55,658 metric tonnes. Against this, till 29.7.97, RCACs for export of 1,29,155.50 metric tonnes of sugar have been issued.

#### **Pan Masala Producing Units**

2708. SHRIMATI KAMAL RANI: Will the Minister of FINANCE be pleased to state:

- (a) whether units producing pan masala are involved in tax evasion; and
- (b) if so, the steps being taken by the Government to check it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) The Government maintains a strict vigil to keep a check on tax evasion. Actions envisaged under the law are taken as and when any case of tax-evasion is detected.

#### **Central Funds to States**

2709. SHRI RAMESHWAR PATIDAR: Will the Minister of FINANCE be pleased to state:

- (a) the funds allocated to North Eastern States during the current five year plan period and the State-wise details thereof;
- (b) whether the funds allocated to these States are less than funds allocated to other developed states in the country; and
- (c) whether the funds allocated to North Eastern Council is deducted from the funds of related States of the region?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The Planning Commission has indicated that the Central assistance to North Eastern States during the Ninth Plan has not yet been finalised.

(b) No Sir, the per capita funds allocated to North-Eastern States during Eighth Plan were much more than the funds allocated to other developed States in the country. For the Ninth Plan period also, the Government lays great emphasis on the development of the North-Eastern Region.

(c) No Sir, the funds allocated to the North Eastern Council are not deducted from the funds of related States of the region.

[English]

#### **Irregularities in Dena Bank**

2710. SHRI MOHAN REWALE: Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India has conducted an investigation into alleged malpractices in the Thiruvananthapuram branch of the Dena Bank;
- (b) if so, the details thereof; and
- (c) the action taken against the officers of the bank found guilty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Dena Bank has reported that it has received certain complaints from

customers and staff members about violation of rules and procedures of the bank by the officials of their Thiruvananthapuram branch. Based on the complaints and the findings of an inspection report of Reserve Bank of India, a special audit of the branch was ordered. The bank has further reported that disciplinary action against delinquent officials has been ordered by the competent authorities in the bank.

[Translation]

### Public Grievances Commission

2711. SHRI CHHATAR SINGH DARBAR:

KUMARI UMA BHARATI:

SHRI SATYA DEO SINGH:

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

(a) whether the Government have granted sanction to the decision of the Delhi Government to appoint a public Grievances Commission to redress the grievances of the people;

(b) if so, the details thereof; and

(c) by when the said Commission is likely to start functioning?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b) Yes, Sir. The details are given in the Resolution which is laid on the table of the House. The Resolution is to be notified by the Government of National Capital Territory of Delhi.

(c) If is for the Government of National Capital Territory of Delhi to decide the date.

### RESOLUTION

After a careful consideration of the need for providing a comprehensive mechanism for effective redressal of grievances of the public against the departments of Government of NCT of Delhi and local bodies, autonomous organisations/undertakings and other institutions owned or substantially financed by the Government of NCT of Delhi, the Government of NCT of Delhi with prior approval of the Central Government have decided to set up a "Public Grievances Commission" in the National Capital Territory of Delhi to act as a functionally independent body responsible for speedy redressal of complaints of the public against acts of omission or commission on the part of public officials working in the said organisations and to recommend such action as considered necessary for removal of such grievances. The Commission shall, for the present, be attached to the Department of Administrative Reforms, Government of NCT of Delhi, but in the exercise of its powers and functions it will have the same measure of independence and autonomy as the Union Public Service

Commission. The functions of the Commission shall be advisory in the same sense as those of the Union Public Service Commission.

2. The Composition of the Commission, its power and functions and the broad framework in which it shall function will be as follows:

### A. COMPOSITION

(i) The Commission shall consist of a Chairman and three Members (including two part-time Members) who shall be appointed by the Lt. Governor of the National Capital Territory of Delhi.

(ii) The Chairman and the whole-time Member shall be persons who have, in the opinion of the Government of NCT of Delhi, distinguished themselves in the field of public administration. The two part-time Members shall be persons of public eminence having special knowledge or practical experience in the field of education or science or law or literature or social service or human rights. Of these two part-time members, at least one shall be a lady;

(iii) Save as otherwise provided, the Chairman and the members (including part-time members) shall ordinarily hold office for a term of 2 years or till they attain the age of 65 years, whichever is earlier.

(iv) The Chairman may resign his office by giving notice in writing to the Lt. Governor of NCT of Delhi and any other member including part-time Member may resign his office by giving notice in writing to the Chairman, and upon such resignation having been accepted by the Government of NCT of Delhi or, as the case may be, by the Chairman, the Chairman or the member (including the part-time Member) shall be deemed to have vacated his office;

(v) The Chairman shall be paid a consolidated salary of Rs. 8000/- provided further that if the Chairman at the time of his appointment is in receipt of pension (other than disability or war pension) in respect of any previous service under the Government of India or under the Government of a State, his salary, irrespective of his service in the Authority, shall be reduced by the amount of that pension. The whole time Member shall be paid, subject to the same conditions, a salary of Rs. 7500/- per month together with such allowance as admissible from time to time. The two part-time Members shall be paid a fixed fee of Rs. 7500/- per month. The other terms and conditions of service of the Chairman and Members (including part-time Members) shall be such as are applicable to the officers of comparable status in the Government of India.

(vi) A person shall be disqualified from being appointed as Chairman or Member (including part-time Member) if he (a) is not a citizen of India; or (b) is of unsound mind and has been so declared by the competent court; or (c) is adjudged as an undischarged insolvent; or

(d) is convicted and sentenced to imprisonment for an offence which in the opinion of the Government of NCT of Delhi, involves moral turpitude.

## B. POWERS AND FUNCTIONS

(i) The Commission shall consider, if it is satisfied that the circumstances of the case so warrant, complaints made by members of public against acts of omission or commission including cases of inaction or harassment or extortion or corruption or abuse of power and authority on the part of officials of the Departments of Government of NCT of Delhi and local bodies, autonomous organisations/undertakings and other institutions owned or substantially financed by the Government of NCT of Delhi. The advisory jurisdiction of the Commission shall not, however, extend to the Delhi Police and Delhi Development Authority.

(ii) It shall be open to the Commission to take suo moto action in respect of any omission or commission on the part of the aforesaid public officials on the basis of information contained in media reports or received otherwise. The Commission shall also consider cases specifically referred to it by the Lt. Governor of the National Capital Territory of Delhi, the Chief Minister, Government of NCT of Delhi or the Chief Secretary, Government of NCT of Delhi. The Commission shall not, however, consider complaints which are sub-judice;

(iii) A person aggrieved by any act of omission or commission on the part of the said public officials may make an application to the Commission for the redressal of his grievance giving specific details of the case supported with a duly sworn affidavit. The applicant shall make a specific declaration to the effect that to the best of his knowledge and belief the subject-matter of the complaint is not sub-judice;

(iv) The Commission may conduct the hearing of the case singly or in benches consisting of the Chairman or the whole-time Member and one of the two part-time Members. The aggrieved person who has made the complaint shall himself represent the case before the Authority and will not be entitled to engage a legal practitioner for the purpose;

(v) The Commission shall, on receipt of a complaint and if it is satisfied that it needs to be looked into, call for such records and summon such officials as considered necessary, hear them and come to a quick decision as to whether there is any dereliction on the part of the officials concerned. The Commission shall lay particular emphasis on the speedy disposal of the complaint. It shall be incumbent on the chief Secretary of Government of NCT of Delhi and the Head of the Department concerned to ensure that the documents called for by the Commission are furnished to it within the time-frame specified by the Commission and also to ensure that officials, if any, summoned by the Commission appear before the Commission at such time and date as fixed for the purpose by the Commission; and

(vi) The Commission shall on conclusion of the hearing of the complaint pass an appropriate 'speaking' order and in cases where it is held that the allegations made against the officials concerned are prima facie established, the Commission shall also recommend action to be taken against the erring officials. The recommendations thus made by the Commission shall be given due consideration by the appropriate administrative authority for its speedy implementation. However, where the appropriate administrative authority on the basis of the merits of the case takes a contrary view, it shall communicate to the Commission, in writing, specific reasons because of which its recommendations could not be accepted. If the Commission is not satisfied with the reasons indicated for non-implementation of its recommendations, it shall be reflected as a case of non-acceptance of Commission's recommendations in its annual report.

3. The Commission may also conduct research into systemic causes of complaints on a regular basis and provide such reports that can form the basis of bringing administrative reforms in areas needing improvements so that the administration becomes more transparent and responsive. Notwithstanding the establishment of the Public Grievances Commission, the Government of National Capital Territory of Delhi will continue to endeavour to strengthen the internal grievance redressal machinery in various departments and agencies under its administrative control and ensure transparency of procedures, free flow of information to the public etc.. The Commission will therefore, Primarily consider complaints on matters relating to corruption or those beyond the control of individual agencies.

## C. ANNUAL REPORT

The Commission will submit an annual report to the Department of Administrative Reforms, Government of NCT of Delhi about its activities drawing particular attention to any recommendation made by it which had not been accepted or acted upon, and a copy of the report together with a memorandum explaining the reasons for non-acceptance of any recommendation(s) of the Commission will be laid by the Department of Administrative Reforms, Government of NCT of Delhi before the Legislative Assembly of NCT of Delhi before the Legislative Assembly of NCT of Delhi.

## ORDER

ORDERED that a copy of this Resolution be communicated to all Departments of Government of NCT of Delhi, local bodies, autonomous organisations/undertakings and other institutions owned or substantially financed by the Government of NCT of Delhi all organisations of the Government of NCT of Delhi, etc. and also that the, Resolution be published in the Gazette of Delhi.

(T.T.Joseph)

Principal Secretary,  
Government of NCT of Delhi.



**Annexure-A**

*Staffing Pattern of the Public Grievances Commission to be Set up  
by the Government of National Capital Territory of Delhi*

Sl. No.	Designation of Post	Number of Posts	Scale of Pay	
1.	Chairman	1	8000/-Fixed	} Other allowances as admissible
2.	Member (Official)	1	7500/-Fixed	
3.	Member (non-official)	2	7500/-Fixed	
4.	Secretary to the Commission	1	3000-4500	
5.	PS to Chairman	1		} Scales of pay of these posts would be as prevalent in the Government of National Capital Territory of Delhi.
6.	PS to Members	3		
7.	PA to Chairman/Members	4		
8.	Steno Grade 'D'	1		
9.	LDC	2		
10.	Peon	6		

**Foreign Investment Process**

2712. SHRI RAJENDRA AGNIHOTRI: Will the Minister of INDUSTRY be pleased to state:

(a) whether some State Governments are facing certain difficulties in the actual foreign capital investment process;

(b) if so, the reasons therefor;

(c) whether some State Governments have reviewed their policies and working system at the request of the Union Government so as to provide favourable atmosphere for investors; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) The Government is committed to facilitating the implementation of projects involving Foreign Direct Investment that have been approved. Accordingly, Government has taken a number of steps which include interaction with investors and State Governments to identify bottlenecks and problem areas and thereby attempt to have them resolved. Appropriate suggestions have been made to State Governments to put in place an open, transparent and investor-friendly approval mechanism.

**Foreign Banks in India**

2713. VAIDYA DAU DAYAL JOSHI: Will the Minister of FINANCE be pleased to state:

(a) the names of foreign Banking agencies allowed to function in India and the time since when they are ordered to function;

(b) whether due to their efficiency and good service several persons are closing their accounts in Indian Bank and are opening accounts in foreign banks; and

(c) the foreign bank-wise number of new accounts opened during the last one year and the number of current accounts and fixed deposit accounts and the amount deposited therein?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The list of foreign banks operating in India as on 1st June, 1997 as also the date of opening their first branch in India is given in the attached Statement.

(b) Having regard to their network of branches spread throughout the country as contrasted with the limited presence of foreign banks in metropolitan areas as well as the different levels of application of technology in both categories of banks, it is not appropriate to compare their efficiency. Moreover, there is no evidence to show that customers are closing their accounts with Indian Banks and opening accounts with foreign banks.

(c) The present data reporting system of Reserve Bank of India do not have such information.

## Statement

Sl. No.	Name of the Foreign Bank	Country of incorporation	Date of opening of their first branch in India
1	2	3	4
1.	American Express Bank Ltd.	U.S.A.	06.05.1922
2.	Bank of America NT & SA	-do-	20.05.1964
3.	Citibank N.A.	-do-	15.12.1903
4.	Chase Manhattan Bank	-do-	21.09.1994
5.	British Bank of Middle East	U.K.	01.01.1954
6.	Standard Chartered Bank	-do-	29.03.1900
7.	Barclays Bank	-do-	08.10.1990
8.	Banque Nationale De Paris	France	00.00.1862
9.	Banque Indosuez	-do-	21.09.1981
10.	Societe Generale	-do-	15.04.1985
11.	Credit Lyonnais	-do-	23.10.1989
12.	Bank of Tokyo Mitsubishi Ltd.	Japan	12.03.1953
13.	The Sakura Bank Ltd.	-do-	28.05.1955
14.	The Sanwa Bank Ltd.	-do-	12.12.1990
15.	Fuji Bank	-do-	20.05.1996
16.	Sumitomo Bank	-do-	20.06.1997
17.	Deutsche Bank	Germany	01.10.1980
18.	Dresdner Bank	-do-	21.08.1995
19.	Commerzbank	-do-	01.12.1995
20.	ANZ Grindlays Bank Plc	Australia	00.03.1892
21.	Hongkong Bank	Hongkong	00.00.1853
22.	Abu Dhabi Commercial Bank Ltd.	U.A.E.	09.12.1980
23.	Mashreq Bank	U.A.E.	22.10.1980
24.	Oman International Bank S.A.O.G.	Sultanate of Oman	04.10.1985
25.	Bank of Baharain & Kuwait B.S.C.	Baharain	09.08.1986
26.	Bank of Nova Scotia	Canada	14.05.1984
27.	ABN Amro Bank N.V.	Netherlands	25.10.1920
28.	ING Bank	-do-	01.06.1994
29.	Sonali Bank	Bangladesh	03.09.1974
30.	Arab Bangladesh Bank	-do-	06.04.1996
31.	State Bank of Mauritius	Mauritius	01.11.1994
32.	Development Bank of Singapore	Singapore	15.03.1995
33.	Overseas Chinese Bkg. Corporation	-do-	31.01.1997

1	2	3	4
34.	Bank of Ceylon	Sri Lanka	30.10.1995
35.	Siam Commercial Bank	Thailand	14.12.1995
36.	Krung Thai Bank P.C.L.	-do-	06.01.1997
37.	Bank Internasional Indonesia	Indonesia	04.04.1996
38.	China Trust Commercial Bank	Taiwan	08.04.1996
39.	Cho Hung Bank	South Korea	06.05.1996
40.	Commercial Bank of Korea Ltd.	-do-	12.03.1997
41.	Hanil Bank	-do-	02.04.1997

[English]

**Housing Finance Companies**

2714. SHRI MOHAMMAD ALI ASHRAF FATMI:

SHRI PAWAN DIWAN:

Will the Minister of FINANCE be pleased to state:

(a) whether several Housing Finance Companies with dubious credibility are functioning in the country;

(b) whether the Government have conducted any inquiry into it;

(c) if so, the details of these companies and the action taken against such companies; and

(d) the steps taken to put a check on defrauding of the customers by these companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) The National Housing Bank (NHB) which is the regulatory authority for Housing Finance Companies has reported that action is taken by it in cases where Housing Finance Companies (HFCs) commit irregularities or violate prescribed norms. NHB has so far prohibited 13 HFCs from acceptance of deposits while 23 HFCs have been served with showcause notices seeking explanation. Criminal proceedings have also been launched by NHB in the case of a Housing Finance Companies which was found to have dis-obeyed the prohibitory orders. Apart from its normal regulatory and supervisory functions, the NHB carries out off-site surveillance particularly in the case of HFCs with net owned fund of Rs. 50 lakhs and more.

[Translation]

**Production and Export of Mangoes**

2715. SHRI SHYAM LAL BANSHIWAL:

SHRI PANKAJ CHOUDHARY:

Will the Minister of COMMERCE be pleased to state:

(a) the place of India among the mango producing countries;

(b) the varieties of mango produced in the country;

(c) the extent of foreign exchange earned from the export of mangoes;

(d) the countries to which mangoes exported;

(e) whether the Government have formulated any policy for increasing mango production and boost its exports; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) India is one of the foremost mango producing country in the world. The major varieties of mango produced in the country include; Alphonso, Bangenpalli, Chausa, Totapuri, Kesar, Neelam, and Langra.

(c) Foreign exchange earned from the export of mango during the last 3 years are given below:

Year	Value (Rs. in lakhs)
1994-95	4502.72
1995-96	3851.91
1996-97	3788.98

(April-Oct.)

(d) The countries to which Indian mangoes are exported include the following:

UAE, Saudi Arabia, Kuwait, UK, Singapore, Netherlands, Bangladesh, Bahrain, Malaysia, Qatar, USA, South Africa, Switzerland, Germany, France, Oman, Hongkong, Australia, Canada, Indonesia, Belgium, Netherlands Antillas, Mauritius, Maldives, Brunei, Argentina, Seychelles, Kenya, Sweden, Bhutan, Nepal, Portugal, Burundi, Ukraine, Austria, Japan, Yemen Arab Republic, Sri Lanka, Thailand, Italy, Slovenia, Syrian Arab Republic and Israel.

(e) and (f) Some of the steps to enhance production and exports of fruits including mangoes are:

(i) Supply of quality planting material, provision of assistance for establishment of nurseries, tissue culture, area expansion, Improving productivity and training of farmers under the Centrally Sponsored Scheme on Integrated Development of Tropical, Temperate and Arid Zone fruits;

(ii) Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment;

(iii) Providing financial assistance to exporters/growers/Cooperative Societies for development of infrastructural facilities such as purchase of specialised transport units, establishment of pre-cooling/cold storage facilities;

(iv) Grant of financial assistance for improved packaging and strengthening of quality control;

(v) Establishment of vapour heat treatment facilities for improving the acceptability of the product especially the mangoes in overseas markets;

(vi) Grant of Air Freight Subsidy for exports of selected fresh fruits including fresh mangoes of all varieties other than alphonso.

(vii) Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs

and exhibitions.

### Import of Coins/Notes

2716. SHRI THAWAR CHAND GEHLOT:

SHRI MADHUKAR SARPOTDAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have authorised the Reserve Bank of India to import the coins/notes of rupees one hundred and five hundred denominations from foreign countries;

(b) if so, the names of countries along with the value of number and denomination of notes being printed abroad; and

(c) the terms and conditions prescribed for printing of these notes along with the estimated cost to be incurred thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The Government have authorised Reserve Bank of India to import 3600 million pieces of printed notes. The India Government Mint, Hyderabad has also been asked to take action for import of 1000 million pieces of coins - as a one - time measure.

(b) Reserve Bank of India have finalised contracts for import of printed notes as under:

	Name of the supplier	Denomination	Quantity	
			Volumewise (in million pieces)	Valuewise (Rs.in crores)
1.	Euro-Can Consortium led by M/s. Giesacke & Devriant, Germany.	500	800	40,000
2.	Canadian Bank Note Company	500	800	40,000
3.	Consortium led by M/s. Thomas De La Rue Ltd., UK.	100	1300	13,000
4.	American Banknote Company	100	600	6,000
5.	Bundesdruckerei, GmbH, Germany.	100	100	1,000
			3600	1,00,000

The contract for import of coins is under finalisation.

(c) The terms and conditions prescribed for printing of these imported notes stipulate that they have to conform to the specimen of Indian notes in all respects and that strict security and confidentiality will be maintained till the end of the entire process. The estimated cost to be incurred on this would be US\$ 95.28 million.

[English]

#### **Illegal Detention by Enforcement Directorate**

2717. SHRI THOMAS HANSDA: Will the Minister of FINANCE be pleased to state:

(a) whether some persons are illegally detained by the Enforcement Directorate in contravention of the Orders/Directions of the Supreme Court;

(b) if so, the number of complaints including physical torture, received in this regard; and

(c) whether the Government propose to enquire into the matter and issue directions to ensure that the orders of the Supreme Court are strictly followed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Information is being collected and will be laid on the Table of the House.

#### **Cases Pending in Income Tax Appellate Tribunal**

2718. DR. G.R. SARODE: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the total number of cases pending in the Income Tax Appellate Tribunal (ITAT), till date;

(b) the number of cases which are likely to be referred to a third member due to difference of opinion between the two members of Bench of the ITAT;

(c) the total number of cases which are required to be referred to special Bench in the ITAT;

(d) since when all these cases are pending and the reasons therefor; and

(e) the steps taken by the Government for clearing the pendency?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) The total number of cases pending in the Income Tax Appellate Tribunal (ITAT) as on 1.7.1997 was 3,04,059.

(b) 33 cases.

(c) 6 cases.

(d) (i) out of the total number of 3,04,059 cases pending before the Tribunal, 2,22,966 cases pertain to the years upto 1995, 51,529 cases pertain to the year 1996 whereas 29,564 cases pertain to the year 1997.

(ii) Out of the total of 33 pending for reference to 3rd Member cases, 5 cases pertain to the year 1996 and 28 cases pertain to the year 1997.

(iii) All the 6 pending special Bench cases pertain to the year 1996.

Increasing institution of cases is the main reason for the pendency.

(e) Government has recently approved the creation of 15 new Benches of the Tribunal for clearing the pendency.

#### **Excise/Customs Duty Evasion**

2719. SHRI N.S.V. CHITTHAN:

SHRI N. RAMAKRISHNA REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether there is lot of excise and customs duty evasion by various tobacco product manufacturers in the country;

(b) if so, the details and value of such evasion alongwith the details of each manufacturer;

(c) the action being taken to recover the dues and penalise them;

(d) whether some senior department officials are also involved in these rackets; and

(e) if so, the details thereof and the action being contemplated against such officials?

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

#### **Scheme of Insurance for Middle and Poor**

2720. SHRIMATI SHEELA GAUTAM:

SHRIMATI PURNIMA VARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have proposed schemes for extension of services in insurance sector for the benefit of middle class and poor sections of the society; and

(b) if so, the names and salient features of these schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The Life Insurance Corporation (LIC) and the General Insurance Corporation (GIC) offer a variety of insurance schemes to cater to the requirements of the middle class and poorer sections of the society.

The Landless Agricultural Labourers Group Insurance Scheme (LALGI) provides as insurance cover of Rs. 2000/- on natural death of the head of the family between 18 to 60 years of age. No premium is payable

by the beneficiary. The Rural Group Life Insurance Scheme (RGLIS) provides an insurance cover of Rs.5000/- payable to the nominees on the death of the insured before attaining 60 years of age on payment of an annual premium of Rs.60 to 70 depending upon the age of entry of the beneficiary. In the case of one member belonging to the below poverty line families 50% of the premium is subsidised. The beneficiary is required to pay only 50% of the premium. The LIC also operates group insurance schemes for 23 professionals in the age group of 18 to 60 which provides for a death cover of Rs.5000/- on natural death and Rs. 25,000/- on accidental death or permanent total disability, on payment of premium of Rs.50/- per annum of which Rs. 25/- is subsidised by the LIC.

The GIC provides for a Personal Accident Insurance Social Security Scheme (PASS) for poor families whose family income from all sources does not exceed Rs. 7200/- per annum. A sum of Rs. 3000/- is payable to the dependents of the deceased earning member of these families. No premium is payable by the beneficiary. The GIC also operates Hut Insurance Scheme for poor families in rural areas which provides relief to the extent of Rs.1000/- if their hut is destroyed and Rs. 500/- if the belongings also get destroyed in fire. No premium is charged from the beneficiary. The GIC also provides compensation to victims of Hit and Run motor accidents where identity of vehicle cannot be established. A sum of Rs.25,000/- is payable in case of death and Rs.12,500/- in case of grievous injury.

#### Rubber Park in Kerala

2721. SHRI P.C.THOMAS:

SHRI MULLAPPALLY RAMACHANDRAN:

SHRI MADHUKAR SARPOTDAR:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have approved some Rubber Parks to be set up in Kerala;

(b) if so, the details thereof;

(c) whether Rubber Parks are proposed to be set up in association with KINFRA; and

(d) if so, the number of industrial units are likely to be established in these parks?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (d) Government have approved the proposal of Rubber Board to set up a Rubber Park at Irapuram in Ernakulam District of Kerala in association with Kerala Industrial Infrastructure Development Corporation (KINFRA).

The park aims at developing 100 acres of land providing infrastructure facilities such as electricity and water, centralised testing and certification of quality of rubber products, common treatment and discharge of

factory effluent, communication facilities etc. In the park, 60 to 70 industrial units are likely to be established.

O.R.H.D.C.L. and N.H.B.

2722. SHRI BHAKTA CHARAN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether Orissa Rural Housing and Development Corporation Ltd., has become the first public sector unit in the country which qualify for refinancing by National Housing Bank;

(b) if so, whether the Corporation has also got approval from the National Housing Bank to implement the proposed rural housing scheme; and

(c) if so, the funds sanctioned by the NHB for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) National Housing Bank (NHB) have reported that at present there are 25 Housing Finance Companies eligible for refinance. The Orissa Rural Housing and Development Corporation Ltd. (ORHDCL) is the second government company to become eligible for refinance facility from NHB. ORHDCL has been included in the list of primary lending institutions which will provide financial assistance under the proposed Rural Housing Scheme. NHB has also reported that the ORHDCL has been given a target of 100 loans to be disbursed during the first year of operation of the scheme. Assuming an average loan of Rs. 1 lakh per house, the amount to be lent by ORHDCL would be Rs.1 crore. There is no bar on the ORHDCL to sanction more than 100 loans in the first year. The refinance assistance from NHB to the ORHDCL would depend on various parameters such as the company's net owned funds, NHB's exposure to the company and the recovery performance by the company.

[Translation]

#### Prices of Coal

2723. SHRI VIRENDRA KUMAR: Will the Minister of COAL be pleased to state:

(a) whether the price rise in respect of coal has been more in comparison with other mineral products and other items after the Nationalisation of coal mines;

(b) if so, the steps taken by the Government to check the said rise in the prices of coal in the country;

(c) whether the production cost of coal is very high in the country in comparison with that of other countries; and

(d) if so, the steps taken or proposed to be taken by the Government to check the price rise by reducing the production cost of coal in the country?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The Price rise in respect of coal has not been more in comparison with other

mineral products and other items during the last decade after the nationalisation of coal mines. During the last ten years upto 1996-97, the annualised increase in coal prices has been 8.63% whereas the Wholesale Price Index has increased by 8.99% during the corresponding period. The Wholesale Price Index is based on the prices of various items including the mineral products.

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

(c) and (d) As per the latest information, the cost of production of coal in the mines of CIL is much lower than the per tonne production cost of coal in a number of other countries like Germany, United Kingdom, France and Australia. The steps taken to reduce the cost of production of coal in India are:

- (i) Rationalisation of manpower;
- (ii) Increasing the capacity utilisation;
- (iii) Phasing out uneconomic operations.

#### **Royalty on Coal**

2724. SHRI VIRENDRA KUMAR SINGH:

DR. KRUPASINDHU BHOI:

Will the Minister of COAL be pleased to state:

(a) whether Coal India Ltd. propose to pay royalty to coal producing States on the basis of its price instead of weight;

(b) if so, the details thereof;

(c) whether royalty paid to State Governments is likely to increase if it is paid on the basis of price of coal; and

(d) if so, the percentage of increase as a result thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (d) Under Section 9 (3) of the Mines and Minerals (Regulation and Development) Act, 1957, the Central Government is empowered to fix the royalty rates on coal. Under the proviso to this Section it can enhance the royalty rate on coal not more than once during any period of three years. As the royalty rates on coal were revised last on 11.10.94, the next upward revision falls due only after 10.10.97. In order to go into the details of the question of revision of royalty rates on coal, a Study Group has been constituted in Ministry of Coal on 28.1.97 to consider all aspects of coal

royalty including the mode of fixation of royalty, that is on the basis of price or weight. The Study group is required to submit its report by 31.8.97 where after a decision will be taken.

[English]

#### **Foreign Debt**

2725. DR. KRUPASINDHU BHOI:

SHRI RAMESHWAR PATIDAR:

SHRI HARIN PATHAK:

JUSTICE GUMAN MAL LODHA:

SHRI NITISH KUMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have repaid the instalment of loan along with interest thereon within the stipulated time as per the terms of foreign loan during the last three years;

(b) if so, the amount paid to each foreign financial institution as instalment of loan together with interest during 1994-95, 1995-96 and 1996-97;

(c) the foreign debt in rupee as well as in dollars, in March, 1995, March, 1996 and March, 1997 and the extent to which it is likely to increase by March, 1998;

(d) the reasons for increase in foreign debt, if any; and

(e) the measures taken/proposed to be taken by the Government to repay all foreign debt in a reasonable time frame and to reduce the burden of foreign debt on the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) A Statement is attached.

(c) to (e) According to the latest available estimates, the total foreign debt outstanding was Rs. 311,685 crore (US\$ 99,008 million) as on March 31, 1995 and Rs. 315,435 crore (US\$ 92,199 million) as on March 31, 1996.

The main features of the debt management strategy followed by the Government includes sustaining a high growth rate of exports, encouraging non-debt creating inflows and keeping the maturity structure as well as the total amount of commercial debt under control.

## Statement

Source-wise Repayment of Principal and Interest Payment From 1994-95 to 1996-97 (Govt. Account)

(Rs. crore)

Sl. No.	Name of the Country/Institution	Repayment of Principal			Interest Payment*		
		1994-95	1995-96	1996-97	1994-95	1995-96	1996-97
1	2	3	4	5	6	7	8
1.	A.D.B.	54.05	143.78	209.34	247.66	345.49	409.61
2.	I.B.R.D.	2369.53	2718.26	2648.77	2020.96	2124.20	1950.36
3.	I.D.A.	608.47	759.29	834.04	382.64	437.08	465.21
4.	I.F.A.D.	16.24	18.30	16.80	6.37	7.22	8.60
5.	O.P.E.C.	38.01	40.41	43.51	3.16	2.72	2.20
Total		3086.30	3680.44	3752.46	2660.79	2916.71	2835.98
6.	Abu Dhabi Fund	3.89	4.11	0.00	0.27	0.12	0.00
7.	Austria	10.40	11.58	12.57	3.90	4.48	4.02
8.	Belgium	19.98	26.54	24.93	1.54	1.67	1.37
9.	Canada	45.20	49.52	51.31	0.02	0.02	0.02
10.	Reps. of Czech & Slovak	4.28	4.28	4.28	0.59	1.55	0.91
11.	Denmark	13.65	21.90	24.60	0.00	0.24	0.03
12.	E.E.C.(SAC)	1.94	1.60	1.66	0.50	1.17	1.17
13.	France	249.98	287.67	290.62	161.98	168.75	152.41
14.	Germany	436.78	523.69	549.14	207.25	228.96	206.71
15.	Hungary	0.00	0.00	0.00	0.00	0.00	0.00
16.	IMF Trust Fund	0.00	0.00	0.00	0.00	0.00	0.00
17.	Iran	0.00	0.00	0.00	9.03	0.02	0.00
18.	Iraq	0.00	0.00	0.00	0.00	0.00	0.00
19.	Italy	20.21	21.37	22.78	11.86	12.63	12.51
20.	Japan	564.28	725.83	731.24	627.01	733.69	703.09
21.	kuwait Fund	46.04	48.90	51.40	16.97	16.23	16.11
22.	Netherlands	143.76	246.12	193.60	67.36	71.43	67.47
23.	Poland	0.00	0.00	0.00	0.00	0.00	0.00
24.	Saudi Fund	46.94	36.37	55.83	6.62	4.68	4.11
25.	Spain	0.00	0.00	0.00	2.90	3.02	3.23
26.	Sweden	0.00	0.00	0.00	19.08	2.18	2.06
27.	Switzerland	17.29	24.90	27.18	13.11	16.62	14.45



1	2	3	4	5	6	7	8
28.	U.A.E.	21.03	0.00	0.00	0.79	0.00	0.00
29.	U.S.A.	398.90	434.15	458.76	181.56	174.42	176.53
30.	Russian Federation	247.05	214.00	218.13	41.59	55.19	20.60
31.	United Kingdom	91.47	78.07	75.71	0.00	0.00	0.00
32.	Australia	0.00	0.00	1.11	0.21	0.45	0.63
Total		2383.07	2760.60	2794.85	1373.93	1497.52	1387.43
Grand Total		5469.37	6441.04	6547.31	4034.72	4414.23	4223.41

\*This includes commitment charges.

#### Bank Branches Run by Women

2726. SHRIMATI BHAVNA BEN DEVRAJ BHAI CHIKHALIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has instructed all the commercial banks in the country to open the branches of banks run only by women;

(b) if so, the details thereof;

(c) the details of such banks opened in the country and the details of branches of various banks run only by the women in the country; and

(d) the steps taken by the Government to open more such branches in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Reserve Bank of India have reported that they have not issued any instructions to commercial banks for opening of branches to be run exclusively by women.

(c) According to information available with Reserve Bank of India upto September 1996, the following bank branches were managed only by women.

Name of Bank	Location of branch
1. State Bank of Travancore	(i) Thiruvananthapuram, Kerala.
2. Syndicate Bank	(i) Karol Bagh, New Delhi. (ii) Seshadripuram, Bangalore.
3. Karur Vysya Bank Ltd.	(i) Anna Nagar, Chennai.

(d) It is for the banks concerned and not for the Government to take decisions regarding opening such branches.

#### Income Tax Exemption to Tribal Population

2727. SHRI. P. NAMGYAL: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 3192 dated March, 14, 1997 and state:

(a) whether the 95% of the population of Ladakh has been declared scheduled tribe in the year 1989;

(b) if so, whether Clause (26) Section 10 of the Income Tax Act 1961 as defined in Clause (25) of Article 366 to the Constitution of India is proposed to be made applicable to the tribal population of Ladakh;

(c) if so, whether the Government propose to grant exemption in income tax to the tribal population of Ladakh; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Sir, there was no Scheduled Tribe in Jammu and Kashmir including Ladakh region prior to 1989. The Scheduled Tribes were declared as such for the first time in Jammu and Kashmir by the Constitution (Jammu and Kashmir) Scheduled Tribes Order, 1989. The 1991 Census was not conducted in Jammu and Kashmir and, therefore, the figures of Scheduled Tribes for Jammu and Kashmir including Ladakh region are not available as per this Census.

(b) and (c) No, Sir.

(d) The increase in the income tax exemption limit to Rs. 40,000 along with other tax benefits, i.e. (i) raising the ceiling of standard deduction in case of salaried taxpayers to Rs. 20,000 (ii) deduction upto Rs.15,000 under section 80L in respect of savings; and (iii) tax rebate under section 88 to the extent of Rs. 14,000, takes most of the persons in the lower and middle income groups residing anywhere in India out of the purview of the income tax. Due to this, as also due to sharp reduction in tax rates in the last budget, the Government is of the view that the large number of tax exemptions contained in Income tax Act, 1961 require to be phased out. Moreover, the experience with the income tax exemption contained in

Clause (26A) of the Income-tax Act, 1961 was that it was misused by unscrupulous businessmen for laundering their blackmoney through the residents of Ladakh.

[Translation]

**Irregularities in Payment of Commission Under N.S.S.**

2728. SHRI SHATRUGHAN PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the schemes of the national savings organisation under the Finance Ministry are operated through post offices and banks;

(b) if so, whether irregularities are being committed in the payment of commission due to lack of supervisory control over the organisation; and

(c) if so, whether the Government propose to take some concrete steps to check irregularities in the payment of commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) No, Sir. However, any irregularities noticed due to computational mistakes by dealing hands are rectified immediately.

(c) Does not arise.

**Export of Natural Rubber**

2729. SHRI BHAGWAN SHANKAR RAWAT: Will the Minister of COMMERCE be pleased to state:

(a) the quantity of natural rubber exported during 1995-96;

(b) the percentage of increase in its export during 1996-97; and

(c) the steps taken by the Government to increase its production and export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) During 1995-96, 1130 MT of natural rubber was exported.

(b) During 1996-97, export of natural rubber registered an increase of 41.40%.

(c) For increasing production of natural rubber, a number of schemes including financial and technical assistance for planting of rubber, concessional supply of plantation inputs, free supply of technical knowhow and assistance for processing etc. are being operated by the Rubber Board. According to the estimates of Rubber Board, there is no exportable surplus of natural rubber in the country. There is no restriction for the export of natural rubber. Since, however, the prices in domestic market are higher than those in the international market, large scale export of natural rubber is not feasible.

[English]

**Liberalisation of Textile Sector**

2730. SHRI MADHUKAR SARPOTDAR: Will the Minister of TEXTILES be pleased to state:

(a) whether ASSOCHAM has made certain recommendations in regard to liberalisation of textile sector in a phased manner and inclusion of more products in the Multi-Fibre Agreement (MFA) liberalisation list;

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

(c) whether the Government have taken any tangible steps for the balancing of products for the integration of textile trade as per the general framework of World Trade Organisation (WTO) for proper restructuring of the textile and garments market; and

(d) if so, the details thereof;

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (d) Government have been receiving representations from trade for liberalisation of various textile products.

The Agreement on Textile and Clothing (ATC) included in the Final Act of the Uruguay Round, envisages complete integration of the textile sector into the multilateral framework of GATT/WTO by 1.1.2005, in stages. The importing countries have been integrating their textile products as per the provisions of the ATC.

**Meeting of SAARC Committee**

2731. SHRI HARIN PATHAK: Will the Minister of COMMERCE be pleased to state:

(a) whether the sixth meeting of the SAARC Committee of Economic Cooperation (CEC) under the Chairmanship of Indian Commerce Secretary was held in New Delhi recently; and

(b) if so, the concrete steps taken by the CEC to promote trade and economic cooperation amongst SAARC countries?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) Yes, Sir. The Sixth meeting of SAARC Committee on Economic Cooperation (CEC) was held in New Delhi under the Chairmanship of the Indian Commerce Secretary on 16-17 November, 1995. This was followed by two more meetings of the CEC in Delhi on 28-29 Oct., '96 and 21-22 April, '97.

(b) The important steps initiated by the CEC to promote trade and economic cooperation amongst SAARC countries include a proposal for setting up of an institutional mechanism for settlement of trade disputes in the SAARC region, holding the Third Round of Trade Negotiations under SAARC Preferential Trading Arrangement (SAPTA) before the close of 1997, early removal of Non-tariff barriers and quantitative restrictions on all products covered under

SAPTA, extending preferential tariff concessions to the least developed countries (LDCs) in the region on non-reciprocal basis, improving transport infrastructure and transit facilities in the region, expanding SAARC visa Exemption Scheme by inclusion of SAARC functionaries members of the Executive Committee of APEX Trade Bodies and the businessmen and holding the 2nd SAARC Trade Fair and the 2nd meeting of the SAARC Commerce Ministers in Pakistan towards the end of 1997.

#### **World Bank Loan**

2732. SHRI BANWARI LAL PUROHIT: Will the Minister for the STATE IN THE MINISTRY OF FINANCE be pleased to state:

- (a) whether the world Bank proposes to increase its aid to India;
- (b) if so, the present position of World Bank loan towards India;
- (c) the projects for which the Government intend to have more aid from the World Bank alongwith the details of the more aid to be received; and
- (d) the time by which the loans are likely to be repaid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) World Bank's pledges to India have normally been in the range of US \$ 2.5 - 3 billion and during India Development Forum Meeting held in July '97, World Bank pledged US \$ 2.9 billion to India which is higher than the pledge for 1996 which was \$ 2.5 billion.

(c) There are a number of projects posed to the World Bank for possible assistance in the Bank FY 98 (July 97 - June 98). These projects are Coal Sector Rehabilitation, Hazardous Waste Management, A.P. Restructuring, National Agriculture Technology, UP Forestry, Kerala Forestry, UP Diversified Agriculture, Rajasthan Power, Haryana Power, Gujarat Highway, UP Basic Education-II, DPEP-III, Powergrid-II, Food & Drug Capacity Building. These projects are at different stages of processing and the details including the amount of assistance for each project will be known only after the finalisation of the project proposals with the World Bank.

(d) The repayment of loans is made as per the conditions stipulated in respective loan agreements. IBRD loans are repayable in 20 years, inclusive of 5 years grace period and IDA credits are repayable in 35 to 40 years inclusive of 10 years grace period.

#### **National Dairy Development Board**

2733. SHRI V.V. RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the National Dairy Development Board and the National Cooperative Dairy Federation have requested the Union Government to remove milk products

from the lists of items imported under open General Licence; and

(b) if so, the details thereof and the Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Yes, Sir. A proposal has been received in the Ministry of Commerce from National Cooperative Dairy Federation of India that in order to maintain international competitiveness and rapid growth of the Indian Dairy Industry, skimmed milk powder and butter oil be shifted from open General Licence to the negative list in the current Export and Import Policy. However, the proposal was examined in the Ministry of Commerce but was not found acceptable.

[*Translation*]

#### **Loan to Regional Commercial Banks by RBI**

2734. SHRI FAGGAN SINGH KULESTE: Will the Minister of FINANCE be pleased to state:

- (a) whether there is any provision for giving loans to regional commercial banks by the Reserve Bank of India;
- (b) if so, the names of the schemes for which it is given;
- (c) whether any time limit has been fixed for it; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) Presumably, the Hon'ble Member is referring to financial support extended by Reserve Bank of India (RBI) to Regional Rural Banks (RRBs). While RBI does not directly grant any loans to RRBs, RBI extends financial support to National Bank of Agriculture & Rural Development (NABARD) from out of its General Lines of Credit (GLC) I & II to enable NABARD to provide, inter-alia, short term re-finance to RRBs and Cooperative Institutions for Seasonal Agricultural Operations (SAO), marketing of crops, marketing and distribution of agricultural inputs, other activities for promotion of agriculture and for production and/or marketing activities of artisans, small scale industries and village and cottage industries etc. RBI has sanctioned, under GLC I & II, for the year 1997-98, limits amounting to Rs. 4850 and Rs. 850 crores respectively in favour of NABARD.

[*English*]

#### **Setting up of Washeries**

2735. PROF. AJIT KUMAR MEHTA: Will the Minister of COAL be pleased to state:

- (a) the number of contracts awarded for setting up of washeries during the last three years on B.O.O basis stating the areas where the washeries are to be set up;
- (b) the progress made in this regard so far; and

(c) the measures taken/being taken to remove the impediments if any in setting up completion of these projects?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) So far, no contract has been awarded for setting up washeries on "Build-Own-Operator" (BOO) basis. However, Letters of Intent have been issued for setting up of the following washeries :

Name of Washery	Area	Throughput capacity (mty)
1. Kalinga	Talcher Coalfields in Orissa	8.0
2. Ananta-Bharatpur	-do-	5.2
3. Dipka	Korba Coalfields in Madhya Pradesh	6.0
4. Sasti	Wardha Valley Coalfields in Madhya Pradesh	1.5

(b) and (c) Conclusion of the agreements for these washeries is at a final stage. There have been delays in finalising the agreement for supply of washed coal because of various factors including the reluctance of the purchasing power houses to accept the washed coal as has been negotiated with the washery operator. Award of contract for washery is held up because of delay in concluding supply agreement with the concerned consumers who have been raising a number of issues from time to time necessitating prolonged discussion at various levels.

For concluding the contract for setting up of the washeries, it is absolutely essential to have a back to back agreement with the purchaser of washed coal.

#### Customs Notifications

2736. SHRI RANJIB BISWAL: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of Customs Notifications which correspond to the charges made in the long term EXIM policy for 1997-2002 have been pending;

(b) if so, the reasons for the delay; and

(c) the steps taken to issue those notifications and the details of such notifications?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) After notification of the new EXIM Policy 1997-2002, a large number of notifications on the Customs and Excise side have been issued in consultation with the Ministry of Commerce. A few of the issues are under examination in

consultation with the said Ministry and a decision will be taken shortly.

#### More Patients Totter into BIFR Hospital

2737. SHRI ANNASAHIB M.K. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the performance of BIFR of 6 months ending June 97 has been reviewed as reported in the Economic Times dt. 14.7.97 under the captioned "More patients totter into BIFR hospital";

(b) if so, the reaction of the Government to the observations reported therein and facts of the industrial sickness and disposal position of such cases by the BIFR;

(c) the details of action taken/proposed in terms of strengthening BIFR, its working with full strength, appointment of additional members to deal with the increasing work load and related reforms; and

(d) the details of "action plan" formulated for restructuring BIFR during 1997-98?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The Board for Industrial and Financial Reconstruction (BIFR) has reported that during the period from 1.1.1997 to 30.6.1997, 92 references were registered with BIFR under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). During the same period BIFR has disposed of 103 cases, by sanctioning 26 rehabilitation schemes and recommending 55 cases for winding up. 22 cases were dismissed as non-maintainable under SICA. As on 30.6.1997, 369 cases were pending at various stages of enquiry as against 336 cases pending as on 31.12.1996.

(c) and (d) Government has introduced a Bill in the Parliament named as Sick Industrial Companies (Special Provisions) Bill, 1997 to replace the existing SICA.

#### Fraud of Dena Bank

2738. SHRI KACHARU BHARU RAUT:

SHRI PRADIP BHATTACHARYYA:

SHRI BANWARI LAL PUROHIT:

SHRI MANIBHAI RAMJIBHAI CHAUDHARY:

SHRI MOHAN RAWALE:

SHRI AMAR PAL SINGH:

SHRI BHIMRAO VISHNUJI BADADE:

Will the Minister of FINANCE be pleased to state:

(a) whether the CBI has unearthed a 31.50 crore rupees scam in the Union Bank of India and Dena Bank situated in Mumbai, recently;

(b) if so, the details thereof;

- (c) whether this amount has since been recovered;
- (d) the number of persons arrested in this regard and the details of the action being taken against them;
- (e) whether the banking frauds have been steeply increasing and the involvement of bank employees have also come to light;
- (f) if so, the details of bank frauds came to light during this year; and
- (g) the concrete measures taken by the Government to check such frauds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) Reserve Bank of India (RBI) has reported that a fraud involving Rs. 31.79 crores was reported by Dena Bank during the last week of June, 1997 at its Mumabi (Gulalwadi) branch. The fraud came to light when the bank initiated steps to reconcile huge difference in the balance with the central clearing department account at the Gulalwadi and the service branch. A group of companies had opened accounts both with Dena Bank's Gulalwadi branch as well as United Bank of India's Kalbadevi branch. Cheques drawn on the accounts in the United Bank of India Kalbadevi branch were deposited in their accounts with Gulalwadi branch of Dena Bank. The parties were unauthorisedly accommodated by Gulalwadi branch of Dena Bank by giving immediate credit to the account-holders and the instruments were sent for clearing with delay which in some cases was 7-10 days. The parties were also favoured unauthorisedly so as to have their cheques cleared through the clearing mechanism for high value clearing branches although the Gulalwadi branch did not fall in the area of high value clearing branches. 49 cheques aggregating to Rs.31.04 crores were afforded credit in November-December, 1996 and the cheques were not sent for clearing thereby fraudulently siphoning off banks funds. The branch copy of outward clearing schedules was also manipulated.

Two officers of the Gulalwadi branch of Dena Bank have been placed under suspension. The bank has initiated action to look into the role of other officers also. Central Bureau of Investigation have also registered a regular case in this regard and have arrested two officials of the bank as well as one private person.

(e) to (g) The number of frauds reported by public sector banks of the RBI during the years 1994, 1995 and 1996 were 2266, 1890 and 1954 respectively. The RBI has reported that during the quarter 1st January to 31st March, 1997, 631 frauds have been reported by commercial banks.

The Public Sector Banks at the instance of Government and RBI have taken several steps from time to time for 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.

*Translation]*

#### **Textile Mills in Uttar Pradesh**

2739. DR. SATYANARAIN JATIYA: Will the Minister of TEXTILES be pleased to state:

- (a) the policy formulated for smooth functioning of textile industry in the country;
- (b) the measures adopted for implementation of the said policy and the outcome thereof;
- (c) the number of textile mills functioning as on June 30, 1997 in Madhya Pradesh alongwith the number of workers rendered jobless as a result thereof;
- (d) the details of the measures taken for the rehabilitation of the workers of Binod Bimal Mills in Ujjain;
- (e) the amount of provident fund paid to these workers and the amount remained to be paid; and
- (f) the time by which the remaining provident fund is likely to be paid to them?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b) The present textile policy covers the different segments of textile industry in a 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 a development in any segment of the textile industry requiring attention, appropriate measures are taken through policy interventions.

(c) As on 31.5.97, 21,091 workers have been rendered jobless due to closure of 9 mills in Madhya Pradesh.

(d) Government of India operates the Textile Workers' Rehabilitation Fund Scheme (TWRFS) to provide interim relief to workers rendered jobless due to premanent/partial closure of the mills. The Scheme is applicable throughout the country.

(e) and (f) The matter pertains to State Government.

*[English]*

#### **Purchase of Immovable Property by KVIC**

2740. COL. SONA RAM CHOUDHARY: Will the Minister of INDUSTRY be pleased to state:

- (a) whether the Government have received any proposal from Khadi & Village Industries Commission regarding purchase of immovable property;
- (b) if so, the details thereof;

(c) whether the Government have delegated power to KVIC to purchase immovable property; and

(d) if not, the reasons therefor?

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

(b) The Government have received the following proposals from KVIC in respect of the acquisition of immovable property:

S.No.	Description of immovable property
1.	Construction of 19 Staff Qtrs. through CPWD, for its State Office Bhubaneshwar.
2.	Purchase of 34 Staff Quarters from West Bengal Housing Board (Ready built) for its State Office, Calcutta.
3.	Purchase of Office Accommodation from Calcutta Improvement Trust of 5000 Sq.ft. covered area.
4.	Purchase of property at Haldwani for MDTC Centre, Haldwani.

(c) and (d) Government have not received any proposal from KVIC for delegation of such powers.

#### **Mahanandi Coalfield Ltd.**

2741. SHRI GIRDHARI LAL BHARGAVA:

SHRI K.P. SINGH DEO:

Will the Minister of COAL be pleased to state:

(a) whether the coal mining activities have come to standstill in the Vasundhara Open Cast Coal Mines under Mahanandi Coalfield Ltd.(MCL);

(b) if so, since when and the reasons therefor; and

(c) the steps taken by the Government to restart the coal mining operation at this coal mine?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (c) The Vasundhara Opencast Project sanctioned in June, 1989 had to be shelved on account of lack of linked consumers of coal and infrastructural facilities. However, in 1994 the project was revived after suitable linkages for coal supply could be established and action for infrastructural development initiated. Coal production from the project started in May, 1997 and is continuing.

[Translation]

#### **Scam in Bank of Rajasthan at Indore**

2742. SHRI DADA BABURAO PARANJPE: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that there is resentment among the people due to the scam of

Rs.2.41 crores in the Indore branch (Madhya Pradesh) of Bank of Rajasthan;

(b) if so, whether any enquiry has been conducted by the Government in this regard; and

(c) if so, the details thereof and the action taken or proposed to be taken by the Government to punish the guilty employees involved in such scams?

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

#### **Number of Sick Units and Loan Outstanding**

2743. DR. RAMVILAS VEDANTI:

SHRI SOHANVEER SINGH:

Will the Minister of FINANCE be pleased to state:

(a) details of sick units in the country as on June 30, 1997, State-wise;

(b) the loan of bank outstanding against these sick units;

(c) whether the Government propose to provide financial assistance to revive sick units in the country;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) As reported by Reserve Bank of India (RBI), state-wise details of small scale industries (SSI) sick units and non-SSI sick industrial units with outstanding bank-credit against them as on 31.3.1996 (latest available) is attached as statement.

(c) to (e) RBI has reported that under its existing guidelines, banks provide need based working capital to sick industrial units. Detailed guidelines have also been issued by RBI regarding formulation/implementation of rehabilitation packages in respect of sick/weak industrial units found potentially viable for their revival. Rehabilitation package, inter alia, provides for funding of existing dues of banks and financial institutions with extended period of repayment thereof in a phased manner, interest concessions, grant of fresh term loan as also fresh working capital facilities. The Board for Industrial and Financial Reconstruction (BIFR) set up under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) takes necessary action in respect of non-SSI sick units for determination of preventive, ameliorative, remedial and other measures and for enforcement of such measures under the provisions of SICA. The banks have also been advised by RBI to implement the rehabilitation packages approved by BIFR in relation of sick industrial units.

**Statement**

*State-wise Number of NON-SSI Sick Industrial Units, SSI Sick Units and Bank Credit Outstanding as on 31.03.1996*

		<i>Rs. Crore</i>		
Name of States/ Union Territories		Number of NON-SSI Sick Industrial Units	Amount Outstanding	Number of SSI Sick Industrial Units Amount Outstanding
1	2	3	4	5
1. Andhra Pradesh	234	1037.42	14794	296.41
2. Assam	37	116.57	19831	51.85
3. Arunachal Pradesh	1	1.77	104	0.96
4. Bihar	56	103.19	16695	97.54
5. NCT of Delhi	26	125.97	6045	247.46
6. Goa	4	11.43	717	15.39
7. Gujarat	117	670.07	7476	228.37
8. Haryana	63	305.56	2332	97.76
9. Himachal Pradesh	30	38.72	567	18.01
10. Jammu & Kashmir	7	27.89	3728	25.62
11. Karnataka	114	493.34	11196	247.24
12. Kerala	69	412.38	8984	163.50
13. Madhya Pradesh	99	323.86	11748	172.30
14. Maharashtra	337	1688.84	20100	744.14
15. Meghalaya	2	1.31	4985	15.80
16. Mizoram	—	—	62	1.81
17. Manipur	1	2.37	913	8.06
18. Nagaland	1	1.30	1445	11.39
19. Orissa	53	194.72	7826	47.57
20. Punjab	37	137.35	2362	64.16
21. Rajasthan	61	229.58	15668	84.11
22. Sikkim	1	6.35	116	0.58
23. Tamil Nadu	129	762.63	8293	326.97
24. Tripura	6	9.13	1356	2.73
25. Uttar Pradesh	173	993.58	38349	340.72
26. West Bengal	225	1080.37	56214	388.26
Total	1873	8775.69	261906	3698.71
<b>Union Territory</b>				
1. Andaman & Nicobar Islands	—	—	41	0.18

	1	2	3	4	5
2. Chandigarh		12	32.85	205	12.51
3. Daman & Diu		1	1.98	5	1.88
4. Dadra & Nagar Haveli		2	4.22	1	0.90
5. Pondichery		8	8.54	218	7.78
6. Lakshadweep		—	—	0	0.00
Total		23	47.59	470	23.25
Grand Total		1896	8823.28	262376	3721.96

[English]

#### EOU Status to IRE

2744. SHRI N.K. PREMCHANDRAN: Will the Minister of COMMERCE be pleased to state:

(a) whether any proposal has been pending with Government to debond the E.O.U. Status to IRE in Kerala;

(b) if so, the details thereof and the action taken by the Government to clear this proposal;

(c) if not, the time by which it is likely to be cleared;

(d) whether the Government propose to give relaxation in the excise duty to the IRE for selling products in the domestic market; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (c) M/s. Indian Rare Earth Limited a 100% EOU have been permitted to debond out of the Export Oriented Units Scheme subject to standard conditions including payment of Customs and Excise duties applicable at the time of debonding. However they have not completed the formalities for debonding.

(d) and (e) The request of the unit for waiver of excise/customs duty for sale of finished products in the domestic market, is under examination in consultation with Department of Revenue as substantial amount of duty is involved.

[Translation]

#### Sick large Units more Risky than SSIs

2745. JUSTICE GUMAN MAL LODHA:

SHRI NAWAL KISHORE RAI:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been

drawn towards the newsitem captioned "SSIs units less Risky than large Units says R.B.I Study" appearing in the Daily Observer dated 14th July, 1997;

(b) if so, whether the risk involved issuing loans to small scale industries is less in comparison with the big and medium scale industries;

(c) if not, the reaction of the Government in this regard;

(d) whether keeping in view this study report of the Reserve Bank, the Government have issued any directives for comprehensive improvement in the credit policy; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The Reserve Bank of India (RBI) has reported that it has not conducted and such study.

(c) to (e) Do not arise.

[English]

#### Dave Committee

2746. DR. LAXMINARAYAN PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether Dave Committee on infrastructure for capital markets has recently submitted its report;

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

(c) the reaction of Union Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The Dave Committee on Infrastructure for capital market was appointed by the Association of Merchant Bankers of India (AMBI) under the Chairmanship of Dr. S.A. Dave. The report of the Committee was submitted to AMBI and not to the



Government on June 30, 1997.

(b) The major recommendations of the Committee can be grouped under four areas:

- (i) Legal infrastructure;
- (ii) Institutional infrastructure;
- (iii) Knowledge infrastructure; and
- (iv) Technological infrastructure.

The recommendations include the review of various Acts and Laws governing the financial sector, transferring of investor protection functions under the Companies Act to SEBI, various institutional reforms like encouragement of book building mechanism for price determination, market making, inter-connectivity of various stock exchanges, setting up of investor protection fund, uniform dissemination of information by the companies and establishment of corporate connectivity to Internet etc.

(c) Formulation of the policy reforms in the capital market is a continuous process and Government constantly reviews the legal and institutional requirements of the capital market. Government amended the Securities and Exchange Board of India Act and Securities Contracts (Regulation) Act in 1995 to strengthen regulatory powers of SEBI. Government has also enacted the Depositories Act in 1996 to provide for a legal framework for establishment of depositories to provide for dematerialisation of securities and scripless trading. SEBI has also been empowered to issue directions to any person connected with the capital market to protect the interest of investors. Several of the recommendations of the Dave Committee report like provision of book building process for price determination, encouraging the stock exchanges to set up clearing houses and clearing corporations to reduce delays in clearing and settlement transactions, encouraging arbitration mechanism on the stock exchanges, disclosure of information by companies are already under implementation.

#### **EPCG Scheme**

2747. SHRI JAGAT VIR SINGH DRONA: Will the Minister of FINANCE be pleased to state:

(a) the aggregate amount of capital goods imported under Export Promotion Capital Goods Scheme during each of the last three years; and

(b) the aggregate amount of obligatory export made during the above period by organisations which have availed benefits under the EPCG scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Details of imports

under Export Promotion Capital Goods (EPCG) Scheme during each of last three years is as under:

Year	Value (in Crores Approx)
1994-95	Rs.1489.50
1995-96	Rs.2892.80
1996-97	Rs.6631.89

(b) Details of exports made under Export Promotion Capital Goods (EPCG) Scheme during each of last three years is as under:

Year	Value (in Crores Approx)
1994-95	Rs.3242.64
1995-96	Rs.138.16
1996-97	Rs.10.01

The Export obligation period in respect of 15% concessional duty is 5 years and in respect of Zero duty is 8 years. Hence, the Export Obligation period for licences issued during the aforesaid period is yet to expire.

#### **Import of Coal**

2748. SHRI R.L.P. VERMA:

SHRI KACHARU BHAI RAUT:

SHRI SUSHIL CHANDRA:

Will the Minister of COAL be pleased to state:

(a) the quantum of coal imported during the last three years, grade-wise;

(b) the names of the countries from which imported and the industries for which the coal imported during the above period;

(c) the price per tonne paid towards import of coal and the price of imported coal in India;

(d) whether there is any proposal under consideration to import coal during 1997-98 also; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANIT SINGH): (a) and (b) As per the information available in the Directorate General of Commercial Intelligence and Statistics (DGCI&S), Calcutta, the quantum of coal imported and the countries from which coal was imported during the last three years are as follows:

(Data purely provisional)

Year	Name of countries from which Coal imported	Total imports (in million tonnes)
1994-95	Chinese Taipei, Chinese P. Republic, Norway, U.K., USA, Netherland, Australia, Germany, Indonesia, New Zealand, South Africa, Hong-Kong, Singapore, Switzerland, Bhutan, Japan.	11.39
1995-96	Chinese Taipei, Chinese P. Republic, Germany, Norway, U.K, USA, Australia, Austria, Hong-Kong, Indonesia, New Zealand, Kuwait, South Africa, Bhutan, Japan, Singapore,	13.68
1996-97	Chinese Taipei, Chinese P. Republic, Japan, Norway, U.K., Vietnam S.Republic, Australia, New Zealand, South Africa, Indonesia, Bhutan, Germany, Singapore, USA	13.25

(c) As per existing import policy, coal can be freely imported, such imports are generally resorted to by the actual consumers of coal such as power, Cement, Steel etc. As such the price per tonne of coal paid towards import of coal and the price of imported coal in India is not available in the Ministry of Coal.

(d) and (e) Government do not propose to import coal to meet the needs of any consumers. Coal can be freely imported by the consumers themselves considering their needs and exercising their own commercial judgements.

#### Income Tax Dues Against Film Stars

2749. SHRI KASHIRAM RANA:

SHRI ILIYAS AZMI:

Will the Minister of FINANCE be pleased to state:

(a) the names of the Cine-Artists, Producers and Directors against whom income tax of 10 lakh rupees or more has been outstanding as on July 1, 1997.

(b) the details thereof year-wise;

(c) whether the Income Tax Department has attached the movable and immovable property of the defaulters in each case mentioned in part (a) under Income Tax Act, 1961 section 226 (3) and Rule 48 of second schedule and the results thereof; and

(d) if not, the reasons thereof;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) According to latest available information, the names of the cine-artists, directors and producers etc. against whom income-tax/corporation-tax demand exceeding Rs. 10 lakhs remained outstanding as on 31.3.1997 are given in the statement attached.

The details of outstanding income-tax demand, year-

wise in the case of each film personality would require references to field offices spread throughout the country. As cumulative figures of demand are available such references would be time-consuming.

(c) and (d) The powers available under section 226(3) and under Rule 48 of the Second Schedule of Income-tax Act, 1961 are utilised by the Assessing Officers and Tax Recovery Officers to attach movable and immovable assets to recover outstanding tax demand in appropriate cases. However, precise details including results of action taken in each case, would require references to the field formations spread throughout the country. Collection and compilation of such information in all the above cases would be quite voluminous and time-consuming. Efforts and labour involved in the matter may not be commensurate with the objective sought to be achieved. However, if the Hon'ble Members desire to have the information about any particular film personality, the same can be collected and furnished.

#### Statement

Sl. No.	Names of the cine-artists, directors and producers etc.	Income-tax/ Corporation-tax demand exceeding Rs.10 lakhs remained outstanding as on 31.3.1997.
1	2	3
		(Rs.In lakhs)
1.	Sh. Subhash Ghai	122.79
2.	Sh. Ashok Ghai	11.00
3.	M/s. Mukta Arts P. Ltd.	23.49
4.	M/s. Adlabs Film P. Ltd.	88.05

1	2	3
5.	Sh. Shahrukh Khan	16.68
6.	Ms. Pooja Bhat	11.00
7.	Sh. Mahesh Bhat	12.40
8.	Late Shri Kishore Kumar Ganguly	42.55
9.	Sh. Jairam Reddy	21.83
10.	Sh. Jackie Shroff	26.91
11.	M/s. Nadiadwala Grand Sons	43.53
12.	M/s. Nasir Hussain Films Ltd.	46.82
13.	Ms. Nandita Morarjee	19.58
14.	Sh. Pahlaj N.Nihalani	32.74
15.	Sh. Rajesh Khanna	40.57
16.	Sh. Parvez Ahmed	10.99
17.	Sh. Rajan Sippy	51.14
18.	M/s. Anas Films	17.48
19.	Sh. Mukesh Duggal	19.55
20.	Sh. Farooq A. Farooqui	13.88
21.	M/s. Subodh Mukherjee Production	11.83
22.	M/s. P.M. Production	11.88
23.	Sh. O.P. Ralhan	74.08
24.	Sh. Trikha Sudesh	12.48
25.	M/s. A.K.Movies	34.39
26.	Ms. Barkha Roy	10.32
27.	Sh. Satram Rohra	42.89
28.	Sh. Joseph Valankuzhy	29.86
29.	Sh. M. Mani	18.54
30.	M/s. Sreemathi Movie Combines	17.26
31.	M/s. Bhagya nagar Studlos (P) Ltd.	17.67
32.	M/s. Deepthi Pictures	16.67
33.	M/s. Drilli Cine Enterprises (P) Ltd.	12.68
34.	M/s. Vinay Enterprises	10.80
35.	M/s. Romesh Films Pvt. Ltd.	19.26
36.	Mrs. Anuradha Paudwal	15.46
37.	M/s. Srujana Films	18.40
38.	Sh. Prabhakar	19.07
39.	Sh. N.R. Sudhir	18.59

1	2	3
40.	M/s. Gopal Films	10.33
41.	Sh. Krishan Kumar	27.93
42.	Sh. Gulshan Kumar	12.64
43.	Sh. Raghvendra Rao	10.14
44.	Sh. R.D. Bhasker	12.71
45.	M/s. Radha Enterprises	15.07
46.	M/s. R.K. Film Associates	27.20
47.	Smt. S. Vijay Shanti	22.02
48.	Smt. P. Soundaraya	17.27
49.	Sh. R. Raju Babu	15.45
50.	Ms. K Surekha	11.58
51.	Sh. Arjun	19.68
52.	Sh. Murali Kanthan	24.31
53.	Ms. Khushboo alias Nakhat Khan	12.13
54.	Smt. Srividya	12.13
55.	Miss T. Goutami	10.17
56.	Ms. A. Sreedevi	77.44
57.	Sh. K. Bagyaraj	11.36
58.	Sh. Kamal Hassan	10.80
59.	Ms. R. Jayapradha	113.29
60.	M/s. Aruna International	508.78
61.	M/s. Anjana Production	14.30
62.	Sh. Adinarayana Reddy	20.02
63.	Sh. Allu Arvind Babu	17.73
64.	Sh. K.C.Bokadla	242.81
65.	Sh. P. Bharthiraja	15.38
66.	Sh. Francis Joseph	27.49
67.	Sh. G. Gopal Rao	30.63
68.	Sh. G. Hanumantha Rao	27.80
69.	Sh. Kothauda Ramalah	26.25
70.	Sh. K.T. Kunjumon	31.55
71.	M/s. Padmalaya Films	24.19
72.	Sh. K.S. Rama Rao	21.98
73.	Sh. S. Ramanathan	35.47
74.	M/s. Seven Art Films	12.89

1	2	3
75.	M/s. Sujatha Films P. Ltd.	650.42
76.	Late Smitha	10.26
77.	Sh. K. Subramanian	213.75
78.	Sh. G. Venkateshwaran	71.99
79.	Sh. K.J. Yesudoss	16.55
80.	Sh. R. Vijay Chandran	34.29
81.	Sh. Anjan Choudhry	28.96
82.	M/s. Misralal Pictures (P) Ltd.	69.42
83.	Sh. Monotosh Das Gupta	15.40
84.	M/s. Shanti Film Corpn.	10.78
85.	M/s. Neptune Enterprises	16.22
86.	M/s. Navrang Cine Theatres Pvt. Ltd.	83.33
87.	M/s. Zefo Films Pvt. Ltd.	12.89
88.	M/s. Sumeet Film	10.14
89.	M/s. B.R.T.V.	18.99
90.	Sh. Prakash Mehra	17.03
91.	M/s. Dharma Productions Pvt. Ltd.	16.47
92.	Sh. Sawan Kumar Tak	29.04
93.	Sh. Pankaj Udhas	27.84
94.	M/s. Deluxe Pictures (Delhi)	12.58
95.	M/s. Associated Film Industries Pvt. Ltd.	25.50

#### **Import of Rubber**

2750. SHRI RAMESH CHENNITHALA: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal for canalising rubber import through STC as and when needed instead of permitting individual manufacturers; and

(b) if so, the details thereof?

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

(b) Does not arise.

#### **Penal Duties Against Newsprint**

2751. SHRI AYYANNA PATRUDU: Will the Minister of FINANCE be pleased to state:

(a) whether the newspaper industry has protested against the findings of the Anti dumping cell of the Ministry of Commerce recommending penal duties against newsprint from three countries; and

(b) if so, the action taken to protect the indigenous industry of newsprint?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The Indian Newspaper Society and others have requested the Government not to impose provisional anti-dumping duties on newsprint imported from United States of America, Canada and Russia which have been recommended by the Designated Authority in its preliminary findings relating to the period 1.4.1996 to 31.10.1996.

(b) The Government has already imposed a 10% ad valorem customs duty on imported newsprint with effect from 29.10.1996, in view, inter-alia, of the decline in international prices of newsprint and the average cost of production of the indigenous newsprint industry. However, the Government is also examining the recommendations of the Designated Authority in respect of provisional anti-dumping duties and a decision thereon will be taken at the appropriate time.

#### **Indian Economy**

2752. SHRI K. PARASURAMAN: Will the Minister of FINANCE be pleased to state:

(a) whether in the current financial year the gloomy functioning of the economy in the country is due to continuing industrial recession as well as poor foreign trade performance leading to monetary and fiscal management difficulties; and

(b) if so, the measures Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) As per the quick estimates of C.S.O., in April 1997, the latest month for which data are available in the current financial year, overall industrial production, as measured by the Index of Industrial Production (IIP), registered a growth of 9.8 per cent compared to 8.1 per cent in April 1996. The manufacturing sector registered a higher growth of 11.7 per cent compared to 9 per cent growth in the same month last year.

During April-June 1997, the latest period for which foreign trade data are available, exports (in US dollar terms) registered decline of 0.95 per cent. However, imports against (in US dollar terms) registered a 4.22 per cent growth, and non-oil imports which, inter-alia includes raw materials and capital goods, registered a higher growth of 8.42 per cent during the same period.

The Union Budget, 1997-98 outlines the process of fiscal adjustment within the framework of the Common Minimum Programme. The Budget envisages a further reduction in gross fiscal deficit as a proportion of gross domestic product from 5 per cent in 1996-97 (RE) to 4.5 per cent in 1997-98 (BE). Besides, consequent upon reduction of the Bank Rate by the RBI, prime lending rates of banks have come down, and there has been a

considerable easing of liquidity constraints. Interest rates on 91 days and 364 days treasury bills have also come down because of comfortable liquidity with the banks. Between April-June 1997, sanctions of financial assistance by the All India Financial Institutions have also recorded a growth of 4.7 per cent.

The above measures are likely to have a favourable impact on Industrial growth in the current year.

#### **Problems faced by Japanese Companies**

2753. SHRI SYDAIAH KOTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether some Japanese companies set up in the country have been facing peculiar kinds of difficulties including demand by locals to give them employment;

(b) if so, the details thereof; and

(c) the remedial measures taken to ensure that investment from that country is not discouraged?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) The Government is committed to facilitating the implementation of projects involving Foreign Direct Investment that have been approved. Accordingly, Government has taken a number of steps which include Interaction with investors and State Governments to identify bottlenecks and problem areas and thereby attempt to have them resolved. This would apply to all countries including Japan. Wherever required, appropriate steps are taken so as to have an open, transparent and investor-friendly approval mechanism and to expeditiously resolve problems.

Government has received feed back that Chief Executives of several Japanese companies are having a positive assessment of the economic reforms in India. They now recognise that India represents a huge market with a growing demand base.

#### **Incentives Under the Deemed Exports Clause**

2754. SHRI G. VENKAT SWAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have withdrawn the incentives under the deemed exports clause to the supplies for notified projects in the power, oil and gas sector; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) No, Sir. The deemed exports benefits for supplied of goods to the Power, Oil and Gas Sectors are available as per Paragraph 10.2(g) of EXIM Policy (1997-2002) and corresponding Paragraph 10.11 of Handbook Vol.I (1997-2002). These Paragraphs have been further amended vide Notification No. 10 dated 29.7.97 and Public Notice No. 29 dated 29.7.97 respectively, there by also extending such benefits to Refinery Projects.

[Translation]

#### **Export of Iron Ore**

2755. SHRI SHIVRAJ SINGH: Will the Minister of COMMERCE be pleased to state:

(a) the quantum of iron ore exported to foreign countries from the iron ore mines of Madhya Pradesh during the last three years; and

(b) the rates separately on which this iron ore was exported?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) The quantum of exports from iron ore Mines of Madhya Pradesh in the last three years is as under:

(Qty: Lakh MT)

	1994-95	1995-96	1996-97
Lumps	26.58	26.97	22.04
Fines	15.26	13.13	15.81
Total:	41.84	40.10	37.85

(b) The rates at which iron ore was exported during the last three years are as under:

(Val: US \$/Tonne)

(F.O.B. Vizag Port)

	1994-95	1995-96	1996-97
Lumps	20.85	22.49	23.61
Fines	16.02	16.95	17.96

[English]

#### **Dearness Allowance**

2756. DR. M. JAGANNATH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to release one instalment of Dearness Allowance to the Central Government Servants in view of price rise and increase in price index;

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

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Dearness Allowance to Central Government employees is revised twice a year from 1st January and 1st July payable with the salary for the months of March and September respectively. The decision regarding another instalment of Dearness Allowance effective from 1.7.1997 will be taken well before it is payable in September, 1997.

[Translation]

### Sericulture Project

2757. SHRI DATTA MEGHE:

DR. ARUN KUMAR SARMA:

SHRI KESHAB MAHANTA:

Will the Minister of TEXTILES be pleased to state:

(a) the details of schemes implemented by the Central Silk Board during Eighth Plan period alongwith financial allocations made, State-wise;

(b) the details of the projects completed out of it in Maharashtra and North Eastern Region during the above period;

(c) the action plan drawn up for development of sericulture during the Ninth Plan including current financial year and the allocation made, State-wise;

(d) whether any proposal for establishment of an empowered regional office of Central Silk Board for North Eastern Region at Guwahati was considered by the Government;

(e) if so, the details thereof; and

(f) the total number of district level committees constituted so far in these States for development of sericulture?

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

(a) In order to supplement the efforts of the State Sericulture Departments, the Central Silk Board (CSB) had implemented a number of schemes/projects/programmes for promoting development of all the four types of silk. These include schemes for extension of R&D, training, infrastructural and extension support to the sector through network of CSB's units and implementation of certain developmental/incentive/financial assistance schemes for encouraging adoption of modern sericultural practices for production of quality silk.

The State-wise allocation is not possible to finalise as no separate allocation is made but the expenditure is incurred on the basis of proposals received from the concerned States. However the State-wise expenditure break up received from the CSB is enclosed as Statement.

(b) The details of the projects completed during the VIIIth Plan period in Maharashtra and North-Eastern Region are as under:

#### MAHARASHTRA

In Maharastra the following projects has been completed:

##### 1. Inter State Tasar Project (ISTP)

Extension of Inter State Tasar Project amounting

to Rs. 0.43 crores ended in March, 1993. Under this project against the target of raising 1000 hectares of tasar plantation, 1100 hectares of tasar plantation was raised, besides creating the following infrastructure in Maharashtra under the project:

i. Grainage Complex	—	4 nos.
ii. Tiny Reeling Units	—	5 nos.
iii. Reeling Sheds	—	2 nos.
iv. Pilot Project Centres	—	2 nos.
v. Cocoon Markets	—	2 nos.
vi. Cold storage	—	1 no.

##### 2. National Sericulture Project (NSP)

The National Sericulture Project was implemented in two districts of Maharashtra viz. Buldana and Akola with financial assistance from World Bank and Swiss Development Cooperation. The project initiated in 1989-90 and continued in VIIIth Plan concluded on 31st December, 1996. Under the project, the infrastructure like 1 Basic Seed Farm, 1 Grainage, 8 Technical Service Centres, 2 Chawki Rearing Centres, 1 Cocoon Market, 4 Cocoon Drying Chambers were established besides strengthening one Demonstration-Cum-Training Centre for silk reeling/spinning. An expenditure of Rs. 4.06 crores was incurred under the project.

#### NORTH-EASTERN REGION

##### 1. National Sericulture Project (NSP)

The National Sericulture Project was implemented in two districts of Assam viz. Jorhat and Sibsagar. Under the project, 9 Technical Service Centres, 1 P2 Basic Seed Farm-Cum-Silkworm Seed Production Centre, 4 Ushnakotis and 1 Cocoon Market were established besides strengthening Regional Sericulture Research Station at Jorhat in Assam and Demonstration-Cum-Training Centre for reeling/spinning at Sualkuchi. An expenditure of Rs. 4.60 crores was spent under the project.

##### 2. Action Plan for North-Eastern States

The CSB has taken up an Action Plan for the development of sericulture in the North-Eastern States. The Action Plan envisages promotion and development of mulberry, eri and muga varieties of silk in these States. This Action Plan is to cover all the 7 States of the region (viz. Assam, Manipur, Tripura, Nagaland, Meghalaya, Mizoram and Arunachal Pradesh). The project envisages raising of 7000 acres of mulberry plantation, setting up of TSCs, REC, Project Offices & P2 Farm-cum-Grainage and Silkworm Seed Production Centres for eri and muga at a total cost of Rs. 426.10 lakhs and the implementation of the scheme was for a period from 1994-95 to 1997-98.

(c) Government has constituted a Sub-Group on Sericulture under the main Working Group on Textiles to recommend various steps to increase the production of silk. Based on the recommendations a number of catalytic

development programmes are being taken up during the IXth Plan period for development of sericulture. No separate State-wise allocations are made. The expenditure would be dependent on the proposals received from the State Government by the CSB. For the current financial year a provision of Rs. 10.26 crores has been kept for these schemes.

(d) and (e) A Regional Development Office of Central Silk Board is already functioning in Guwahati.

(f) These are set up at the discretion of the State Governments and the exact number of Committees is not known.

#### Statement

##### *State-wise breakup of expenditure for the VIIIth Plan period*

Sl.No.	State	Expenditure (Rs.in crores)
1.	Andhra Pradesh	22.77
2.	Arunachal Pradesh	0.93
3.	Assam	21.32
4.	Bihar	24.56
5.	Delhi	4.31
6.	Gujarat	1.79
7.	Haryana	1.21
8.	Himachal Pradesh	0.58
9.	Jammu & Kashmir	15.62
10.	Karnataka	136.59
11.	Kerala	5.60
12.	Madhya Pradesh	10.60
13.	Maharashtra	8.90
14.	Manipur	2.80
15.	Meghalaya	2.60
16.	Mizoram	0.20
17.	Nagaland	0.41
18.	Orissa	12.20
19.	Punjab	0.24
20.	Rajasthan	3.43
21.	Sikkim	4.25
22.	Tamil Nadu	24.75
23.	Tripura	0.28
24.	Uttar Pradesh	16.34
25.	West Bengal	45.52
26.	General Investment	31.26
Total		397.06

[English]

#### Foreign Investment Institutions

2758. SHRI RAMASHRAYA PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the SEBI has issued permission to three FII (Foreign Investment Institutions) to invest 20.30 crore Dollars (U.S) in India through credit medium;

(b) if so, the details thereof;

(c) whether the Government have taken any action in this regard; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The Securities and Exchange Board of India (SEBI) through a Press Release dated 9.11.96 published Guidelines permitting Foreign Institutional Investors (FIIs), who register themselves with SEBI separately as 100% Debt Funds, to invest in Indian securities markets to the extent of 100% in listed or to be listed corporate debt securities and dated Government securities. Details of approvals granted by SEBI to FII Debt Funds through 100% Debt route during 1996-97 and 1997-98 (upto 9th May 1997) are as follows:

No. of FII Debt Funds approved	Investment limit approved US \$ Million
9	1178.0
3	490.0

(c) and (d) FII investments in debt securities through the 100% debt route are subject to ceiling and are monitored and operated within the yearly overall cap determined for External Commercial Borrowings.

#### SBI Regional Office at Maharashtra

2759. SHRI ANANT GUDHE: Will the Minister of FINANCE be pleased to state:

(a) whether there was a proposal to establish regional office of State Bank of India at Amravati-Divisional Headquarter in Vidarbha region of Maharashtra and assessment report was called for;

(b) if so, the details thereof and the present status of the action taken and reasons for delay in implementation of the report;

(c) whether in terms of central location and other positive and supporting factors the Government would provide for establishment of Regional Office of State Bank and other nationalised banks at Amravati to render effective and customer friendly services in 4 districts of Amravati division; and

(d) the present status of fresh action plan under

consideration/finalised for 1997-98 to develop, upgrade, strengthen and modernise banking network in Amravati division headquarter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) State Bank of India (SBI) have reported that there has been occasional demands in 1995 and early 1996 for creation of a Zonal Office at Amravati. The demand was not accepted as its Zonal Office at Nagpur headed by a Deputy General Manager and having six regions each under an AGM controlling the branches in the 9 districts (including Amravati district) of Vidharbha region is adequate to cater to the banking requirements of the districts.

(c) SBI have further reported that their Zonal Office at Nagpur is well connected by infrastructure facilities like transport, communication etc. to afford easy access to the customers as well as Bank officials for administrative expediency.

(d) No such action plan has been formulated by SBI in this regard.

#### **Foreign Tours by Chief Minister**

2760. SHRI K.C. KONDAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the Chief Minister of Karnataka and other 21 members have undertaken foreign tour in the month of June, 1997;

(b) if so, the places visited by them and the foreign exchange sanctioned by the Government;

(c) whether the Government has also sanctioned foreign exchange for medical treatment of the Chief Minister in USA;

(d) if so, the amount sanctioned in dollars;

(e) whether the Government have permitted them to enter into various MOUs and other agreements with foreign companies;

(f) whether the delegation had any representative of the Government of India; and

(g) the estimated amount of foreign investment came from the above visit to Karnataka?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) An 8-member delegation led by Shri J.H. Patel, Chief Minister, Karnataka visited USA and UK from 14th to 27th June, 1997. The delegation was also joined by representatives of Industries.

(b) to (d) The places visited by the delegation were Pittsburg, Washington, Newyork, Boston and London. The

Indian Embassy/High-Commission in USA and UK were authorised to incur expenditure on the following:

(i) Daily allowance and arrangements for hotel accommodation as per the Government prescribed scales.

(ii) Entertainment allowance and contingencies as per the Government prescribed scales.

(iii) Transportation on actual basis.

(iv) Sumptuary allowance of USD 5000/- & secretarial assistance of USD 500/-

(v) Hiring of two limousine cars for the delegation.

The Chief Minister had undergone a medical reference by the specialist during his visit to USA for which an amount of USD 18,350/- was sanctioned by Govt. of Karnataka.

(e) No, Sir.

(f) No, Sir.

(g) 36 companies are stated to have shown keen interest to invest in various projects in Karnataka and the likely investment expected to be Rs. 1100 crores.

#### **Premium Collected By LIC in Assam**

2761. SHRI KESHAB MAHANTA:

SHRI SAMIK LAHIRI:

Will the Minister of FINANCE be pleased to state:

(a) the total amount of premium collected by life Insurance Corporation in the country from the policy holders during the last three years, year-wise and State-wise;

(b) the amount invested in developmental work by L.I.C. in the States during the above period, State-wise;

(c) whether there is a decline in investment for developmental works compared to the collection of premium; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The requisite information is given in the attached Statement.

(c) and (d) The LIC has reported that the percentage of total investment to total premium income increased to 37.05% in 1996-97 as compared to 36.84% in 1994-95. However, on account of lack of suitable developmental and infrastructural projects, the investment came down to 33.69% in the year 1995-96.



**Statement***Comparative Statement Showing the Premium Income & Investments of the Corporation in India*

(Rs. in Crores)

State/Zone	Premium Income in State/			% to Total Premium			Investments in State/			% to Total Investments		
	Zone during			Income during			Zone during					
	1994-95	1995-96	1996-97	1994-95	1995-96	1996-97	1994-95	1995-96	1996-97	1994-95	1995-96	1996-97
1	2	3	4	5	6	7	8	9	10	11	12	13
CENTRAL ZONE												
(a) Madhya Pradesh	503.32	606.02	731.41	4.36	4.27	4.50	202.56	243.92	298.22	4.77	5.11	4.96
NORTH CENTRAL ZONE												
(a) Uttar Pradesh	1135.58	1331.43	1622.56	9.85	9.39	9.99	656.98	350.38	383.03	15.47	7.33	6.37
EASTERN ZONE												
(a) Andaman & Nicobar	—	—	—	—	—	—	0.62	1.00	—	0.01	0.01	—
(b) Arunachal Pradesh	2.36	4.95	4.11	0.02	0.03	0.03	1.00	—	2.00	0.02	—	0.03
(c) Assam	205.85	239.10	286.59	1.79	1.69	1.76	97.88	57.78	91.87	2.30	1.22	0.86
(d) Bihar	523.23	597.92	757.23	4.54	4.22	4.66	145.50	132.62	192.80	3.44	2.78	3.20
(e) Manipur	12.66	15.26	18.41	0.11	0.11	0.11	4.96	7.58	8.95	0.12	0.16	0.15
(f) Meghalaya	8.66	12.42	15.48	0.08	0.09	0.10	1.00	6.00	6.34	0.02	0.13	0.11
(g) Mizoram	1.12	1.26	1.72	0.01	0.01	0.01	4.55	8.62	4.63	0.11	0.18	0.13
(h) Nagaland	6.14	7.73	9.63	0.05	0.05	0.06	5.00	15.76	15.98	0.12	0.33	0.27
(i) Orissa	201.21	240.60	293.94	1.74	1.69	1.81	115.69	178.11	133.64	2.72	3.73	2.22
(j) Sikkim	—	—	—	—	—	—	4.00	7.38	10.50	0.09	0.15	0.17
(k) Tripura	20.32	22.58	27.77	0.18	0.16	0.17	7.72	10.34	15.90	0.18	0.22	0.26
(l) West Bengal	965.02	1166.49	1373.00	8.37	8.23	8.45	208.42	244.84	291.20	4.91	5.12	4.84
NORTHERN ZONE												
(a) Chandigarh	110.24	50.35	155.29	0.96	0.36	0.96	—	—	5.50	—	—	0.09
(b) Delhi	639.99	759.33	952.57	5.55	5.35	5.87	449.34	606.26	637.32	10.58	12.69	10.59
(c) Haryana	176.89	246.63	262.04	1.53	1.73	1.61	70.07	79.43	78.98	1.65	1.66	1.31
(d) Himachal Pradesh	60.09	70.78	86.09	0.52	0.50	0.53	15.91	25.29	28.24	0.37	0.53	0.47
(e) Jammu & Kashmir	58.95	74.15	93.68	0.51	0.52	0.58	26.76	43.78	31.15	0.63	0.92	0.52
(f) Punjab	268.12	383.57	354.55	2.33	2.70	2.18	86.45	88.81	113.18	2.04	1.86	1.88
(g) Rajasthan	493.83	580.84	701.45	4.28	4.11	4.32	207.69	205.63	257.23	4.89	4.30	4.28
SOUTH-CENTRAL ZONE												
(a) Andhra Pradesh	954.93	1089.41	1288.62	8.28	7.68	7.94	189.26	272.00	282.32	4.46	5.69	4.69
(b) Karnataka	736.16	852.82	1002.31	6.39	6.02	6.17	202.65	327.67	295.57	4.77	6.86	4.91
SOUTH ZONE												
(a) Kerala	514.95	634.41	720.82	4.47	4.48	4.44	141.05	182.55	236.85	3.32	3.82	3.94
(b) Pondicherry	10.94	13.02	20.64	0.09	0.09	0.13	2.00	2.00	—	0.05	0.04	—
(c) Tamil Nadu	963.96	1138.52	1322.94	8.36	8.02	8.15	322.44	268.51	448.97	7.59	5.62	7.46

	1	2	3	4	5	6	7	8	9	10	11	12	13
WESTERN ZONE													
(a) Goa & Daman		60.54	69.72	82.90	0.53	0.49	0.51	9.63	9.77	34.58	0.23	0.20	0.57
(b) Gujarat		915.26	1061.06	1255.09	7.94	7.48	7.73	355.82	302.68	534.88	8.38	6.34	8.89
(c) Maharashtra		1978.32	2911.40	2798.95	17.16	20.53	17.23	711.94	1099.01	1611.61	16.76	23.00	26.78
(d) Dadra & Nagar Havelli		—	—	—	—	—	—	—	—	3.00	—	—	0.05
GRAND TOTAL		11528.64	14181.77	16239.79	100.00	100.00	100.00	4246.89	4777.72	6017.44	100.00	100.00	100.00

% of Investment to 1994-95 1995-96 1996-97

Premium Income 36.84 33.69 37.05

NOTE: LIC have reported that the figures for the year 1996-97 are PROVISIONAL FIGURES.

### Scheduled Caste/Scheduled Tribe Judges

2762. SHRI D.P. YADAV:

SHRI KACHARU BHAU RAUT:

SHRIMATI PURNIMA VARMA:

SHRI SHIVRAJ SINGH:

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

(a) whether the Union Government have received any representations from Scheduled Castes/Scheduled Tribes community wherein it has been requested that sufficient representation be given to the Scheduled Castes/Scheduled Tribes in the appointment of judges of Supreme Court and High Courts;

(b) if so, the details thereof;

(c) whether the Government propose to provide sufficient representation to the people of Scheduled Castes/Scheduled Tribes while filling up the vacant posts in these courts; and

(d) if so, the steps taken or proposed to be taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b) Representations have been received from time to time for better representation for the members of Scheduled Castes, Scheduled Tribes and other backward classes in the matter of appointment of Judges of the Supreme Court and the High Courts.

(c) and (d) Appointment of Judges of the Supreme Court and the High Courts are made in terms of the relevant provisions of the Constitution of India which do not provide for reservation for any caste or class of persons. The Government have, however, addressed letters from time to time to the Chief Justices and the Chief Ministers of the States to locate persons from the Bar belonging to

relatively under-represented categories such as Scheduled Castes, Scheduled Tribes, other Backward Classes, Minorities and Women who are suitable for appointment as High Court Judges.

[Translation]

### Private Agencies For Publicity

2763. SHRI HARIVANSH SAHAI: Will the Minister of FINANCE be pleased to state:

(a) whether the services of private professional agencies instead of Akashwani and Doordarshan have been taken for the publicity and propaganda of all adventurous initiatives of his Ministry;

(b) if so, the reasons therefor and the amount paid to them for this purpose; and

(c) the reasons for not avoiding this unnecessary expenditure incurred on the above work by his Ministry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) A multi-media publicity campaign for the new schemes under the Finance Act 1997 has been entrusted to two leading private agencies after evaluating their technical merit and competence. Multimedia publicity includes advertisement/publicity through TV, newspapers, Radio, magazines, hoardings, telemarketing, posters, direct mailing, etc. The objectives are to widen the tax base, bring into the tax net more assesseees and augment the direct tax revenue. Akashwani and Doordarshan channels will also be used for the campaign. The expenditure incurred in this behalf is not considered unnecessary. A sum of Rs.30 Crores has been provided for the campaign.

[English]

### Problems of Small Scale Industries

2764. SHRI SANDIPAN THORAT: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are aware that a large number of units in small scale sector do not get their dues in time from Public Sector Undertakings and private industries;

(b) If so, whether the problem of such small ancillary units have been studied in depth by the working group;

(c) If so the details of the main findings and recommendations of the working group on the subject matter; and

(d) the details of action plan/fresh initiatives finalised to protect the interests of small scale units in regard to timely payment of dues by PSUs and others?

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

(c) The working Group on SSIs for the Ninth Five year Plan has observed that the existing law on delayed payments enacted in 1993 was not being invoked properly mainly on account of the reluctance of the small parties to invoke the provisions of this law. The Working Group felt that it would be necessary to provide teeth to the Legislation through certain well devised measures such as:

(i) All payments made beyond a fixed period of say 60/90 days should unfailingly attract mandatory interest of 5% over and above the prime lending rate of the bank.

(ii) The balance-sheet as well as Annual Report of the buyer company/department should necessarily bring out the details of the SSI bills remaining unpaid and the payments made with delay.

(iii) Notices issued for raising public issues/fixed deposit and those issued for raising money from the market through bonds should also reflect the above mentioned position.

(iv) All returns etc. filed with the Company Law Board (CLB) should also contain the aforesaid details as a matter of course so that anyone who wants to know the position of any company in this respect can easily do so by inspecting the documents filed in the CLB.

(v) State Small Industries Corporations and the National Small Industries Corporation which provide marketing assistance, should be enabled to sue the buyers on behalf of the SSI units.

(d) It is proposed to examine the matter in consultation with the concerned Ministries.

#### **Aerated Water**

2765. SHRI PRATAP SINGH SAINI:

DR. ARVIND SHARMA:

Will the Minister of FINANCE be pleased to state:

(a) the price elasticity of aerated waters in India;

(b) the impact on sales of aerated waters during the last three years following the introduction of excise duty on aerated waters in 1997-98; and

(c) the possible impact on the growth of the aerated water industry if the rate of excise duty is fixed at 40%, 20%, 10% and Nil?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Ministry of Finance have not conducted any study on price elasticity of aerated water.

(b) Excise duty on aerated waters was introduced during 1970-71. There was no change in the rate of excise duty applicable to aerated waters in 1997-98 budget. Hence, the question of impact of duty rate applicable in 1997-98 on last three years does not arise.

(c) The growth of an Industry depends upon a number of factors and therefore, it may not be possible to indicate the growth of aerated water industry at different rates of excise duty.

[Translation]

#### **Satna Cement Factory**

2766. SHRI SUKH LAL KUSHWAHA: Will the Minister of FINANCE be pleased to state:

(a) whether Satna Cement Factory is not depositing the Income Tax in time;

(b) if so, the details thereof alongwith the date since when the income tax has not been deposited by it; and

(c) the action taken or proposed to be taken against the guilty officials?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) M/s. Satna Cement Works located at P.O. Birla Vikash, Satna, Madhya Pradesh is a unit of Birla Jute & Industries Limited (renamed from 31.3.97 as Birla Corporation) and assessed to Income-tax at Calcutta. According to information collected, the company has deposited its advance tax and self-assessment tax in time. Further, there is no arrear tax outstanding.

Does not arise in view of the information given in parts (a) and (b) above.

#### **Import of Silk**

2767. SHRI S.P. JAISWAL: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware that due to strict rules and regulations in regard to Import of silk, it

is being illegally Imported/smuggled in a large quantum from China into the country;

(b) if so, whether the Government are contemplating to make any amendments in import regulations of silk so that it can be made easily available to small industries and the Government can earn import duty; and

(c) if so, the details thereof?

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

(a) Yes, Sir. The Government is aware that some quantity of raw silk is being smuggled into the country across the Bangladesh and Nepal borders.

(b) and (c) In the present policy of import-export silk has been continued in the restrictive list. Under the Duty Exemption Scheme the exporters are allowed to import duty free silk material for their use in export products. Besides, the Government of India have increased the input-output ratio of raw silk and dupion silk from 1.20:1 kg to 1.35:1 kg which will consequently increase the availability of silk to the exporters and small industries as well.

[English]

#### **Lending System**

2768. SHRI G.M. BANATWALLA: Will the Minister of FINANCE be pleased to state:

(a) the total lending by banks to the commercial sector during the past three fiscal years;

(b) the lending by banks to the commercial sector during the first quarter of the current fiscal year;

(c) whether it is a fact that bank credit applied for by the commercial sector shows a declining trend, and if so, the extent of the decline;

(d) the causes for the decline in bank lending to the commercial sector;

(e) whether the Government propose to consider fresh reduction in the bank lending rate to boost the credit offtake in the interest of the economy; and

(f) the measures, if any, proposed to be taken to increase bank lending at competitive rate and to avoid adverse impact?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Information is being collected and will be laid on the Table of the House.

(c) and (d) Credit offtake by the corporate sector has not been to the expected extent for a number of reasons including the availability of sources of fund cheaper than bank credit.

(e) and (f) Reserve Bank of India have reported that Interest rates have shown a definite and perceptible decline since mid-April 1997 across all maturities and Instruments including Dated Government securities, Treasury Bills, Certificates of Deposits and commercial papers. The prime lending rates of most banks have been reduced by one to one and a half percentage points. In April, 1997 Reserve Bank of India have taken several measures to ensure availability of adequate bank credit to support the growth of the real sector and to ensure that banks brought down the lending rates. Accordingly, the banks Rate was reduced from 12.0 per cent per annum to 11.0 per cent annum and further to 10.0 per cent per annum with effect from the close of business on June 25, 1997. Measures were also taken by Reserve Bank of India to improve the credit delivery system and flow of resources to industry which include inter-alia withdrawal of stipulation of obligatory consortium system of credit to borrowers with credit limit of over Rs. 50 crore and freedom to banks to assess the working capital requirements of borrowers.

#### **Export of Shrimps and Sea-Food**

2769. SHRI L. RAMANA: Will the Minister of COMMERCE be pleased to state:

(a) whether many countries have rejected the consignments of shrimps and other sea-food items exported by India on the ground of being sub-standard;

(b) if so, the details thereof including the names of the countries, the value of consignments rejected and the items involved; and

(c) the steps taken by the Government to ensure quality of these products?

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

(b) The details of the names of the countries where consignments were rejected in the year 1997 alongwith the names of the plants with the particulars of the items and value are given in the attached Statement.

(c) (1) Quality standards in respect of fish and fishery products exported from India and the standards to be met by the processing units have been laid down in the export of fish, frozen and processed fish and fishery products (Quality Control, Inspection and Monitoring) order and Rules, 1995.

(2) Further steps taken in this direction are suspension of exports by three units of sea-food exporters, and intimation to DGFT for taking appropriate action against one unit exporting sea-food in accordance with relevant provisions of the Foreign Trade Development Regulation Act, 1992.

**Statement***Details of consignments of Marine Products rejected by importing countries*

Sl. No.	Year/Month	Name of the plant	Item	Country	Quantity	Value
					Kg. US\$	
1.	Jan. 1997	Abad Fisheries Cochin P.Code No. 700	Fr.Squid (Calamari) and Gamberi	Italy	10,000 2,640	22,500 33,114
2.	Jan. 1997	Hindustan Lever Ltd. Cochin	Fr.Squid and Cuttlefish	Italy	23,000	66,100
3.	April 1997	Karthika Marine Inds. Pvt. Ltd. Cochin	Squidrings/ heads	France	14,688	31,641
4.	May 1997	Viva frozen Foods, Mumbai	Fr. squid	Italy	21,996	58,077
5.	May 1997	Salet Seafoods Veravale	Fr. Squid Rings/heads	France	Not	Available
6.	May 1997	Ocean Bounty Ltd. Aroor	Shrimp	Denmark	11,000	64,174
7.	May 1997	Hiravati Ice & Cold Storage Porbandar.	Squid whole	Greece	1,030 MCTNS	40,217
8.	June 1997	Raymon Glues & chemicals, Cochin	Cuttlefish squid and octopus	Italy	23,000	42,080
9.	June 1997	Sterling Foods Mangalore	Fr. squid rings/heads	France	Not Available	
10.	July 1997	Raymon Foods Cochin	Fr. Cuttlefish	Italy	1,000	2,100

**Vacant Posts of SCs/STs**

2770. DR. BALIRAM: Will the Minister of COAL be pleased to state:

(a) the total number of scheduled caste/scheduled tribe and other backward class employees working in the offices of the western Coalfields Limited as compared to the sanctioned posts of these categories;

(b) the reasons for lesser number of scheduled caste/scheduled tribe/other backward class employees; and

(c) by when the vacant posts reserved for these categories are likely to be filled?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b) There can be no sanctioned strength separately for SCs/STs/OBCs. However, at the time of recruitment/promotions, reservations are made as per prevailing norms/Roster for SCs/STs/OBCs. Details of total sanctioned posts in WCL, No. of SCs/STs/OBCs on roll and backlog of vacancies as per the rosters are as under:

Total No. of sanctioned Posts (all categories.)	No. of workers of speci- fied community on roll			Backlog of vacancies		
	SC	ST	OBC	SC	ST	OBC
85,194	20,754	11,700	24,939	7	22	NIL

The backlog of 7 posts of SCs & 22 posts of STs is due to non-availability of eligible technical candidates from SC and ST communities.

(c) Action is being taken to fill up the vacant posts of SC/ST through local employment exchange and special recruitment drives through advertisements in newspapers and Rojgar Samachar.

[Translation]

### Supply of Coal

2771. SHRI MAHABIR LAL BISHVAKARMA: Will the Minister of COAL be pleased to state:

(a) whether the Union Government are aware that due to non-availability of coal, many hard coke factories are/or lying closed in Northern Chhota Nagpur;

(b) if so, the details thereof;

(c) whether the Government propose to supply coal to these closed hard coke factories;

(d) if so, by when the coal is likely to be supplied to these factories; and

(e) the steps being taken by the Government to ensure the smooth supply of coal to these factories in future?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (d) According to information received from Coal India Ltd., they are not aware of any hard coke manufacturing units in the Northern Chhota Nagpur having been closed for want of coal.

(e) The hard coke manufacturing units of Northern Chhota Nagpur region are being supplied non-linked washery (NLW) coking coal from the collieries of Central Coalfields Ltd. All efforts are being taken by coal company to meet the demand of this sector to the extent of availability of NLW coking coal.

[English]

### Defection Law

2772. SHRI CHHITUBHAI GAMIT: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether there is any demand in view of the present political atmosphere to review the 'Defection Law' to meet the present political situation in the country;

(b) if so, whether the Government propose to

convene any all party meeting in this respect; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) to (c) In the meeting of political parties held on 29th July, 1997, it was decided that the Government would convene a separate meeting of political parties to discuss the issue of anti-defection law. No date for meeting of political parties has, however, yet been fixed.

### Funds to Sick Public Sector Undertakings

2773. SHRI GORDHANBHAI JAVIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government allocate funds to sick public sector units for revitalisation purpose;

(b) if so, the details thereof alongwith the names of such sick companies to whom funds have been allocated and the amount of financial assistance allocated during the last three years, State-wise;

(c) whether such financial assistance has been sought by any public sector units in Gujarat; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Funds are allocated to sick PSUs based on the approval of the revival plan by the Government. The revival plans include, inter-alia, write off of outstanding loans, conversion of outstanding loans into equity, waiver of interest due to Government and grant of assistance for voluntary retirement scheme and infusion of fresh funds. Information regarding financial assistance allocated. PSU-wise, during the last three years is being collected.

(c) and (d) Revival Plan of Petrofils Cooperative Ltd., Vadodra (Gujarat) has been received. The Plan includes, inter-alia, phasing of loans, working capital and infusion of fresh equity/interest free loans etc. Revival Plan in respect of National Textile Corporation which includes mills under NTC (Gujarat) has also been received. No decision has yet been taken on these proposals.

[Translation]

### Income Tax Outstanding Against Air Conditioner Companies

2774. SHRI SUKDEO PASWAN: Will the Minister of FINANCE be pleased to state:

(a) the number of airconditioner companies in the country and the income tax outstanding against them and the date from which it is outstanding and the details of the scheme formulated by the Government to recover the outstanding income tax;

(b) whether the income tax is still outstanding against Shiva Air Conditioner Company in Delhi; and

(c) if so, the details in regard to the recovery of income tax?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Information of outstanding income-tax trade-wise or according to items of manufacture is not separately maintained. Further, very few companies wholly and exclusively manufacture air-conditioners. Therefore, information in this regard would require references to field offices spread all over the country. Collection and compilation of such information would be time-consuming and efforts and labour involved in the matter may not be commensurate with the objective sought to be achieved. However, if the Hon'ble Member desires to have the information about any particular company, the same can be collected and furnished.

(b) and (c) M/s. Shiva Airconditioning Company located at 2811, A-Block, Poorvi Marg, Vasant Vihar, New Delhi is a proprietary concern engaged in hiring, repairing and manufacturing of air-conditioners. According to information collected, there is outstanding income-tax of Rs.1207/- raised in January, 1997 in this case.

Challan has been sent by the Assessing Officer towards realisation of the above demand.

[English]

### **Dispute Settlement Forum of WTO**

2775. KUMARI SUSHILA TIRIYA: Will the Minister of COMMERCE be pleased to state:

(a) whether European Commission is likely to take up a decision on hauling India to the dispute settlement forum of the World Trade Organisation; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) The European Communities have sought formal consultations with India, inter-alia, under Article XXII of General Agreement on Tariffs and Trade (GATT) 1994 and the Understanding on Rules and procedures Governing the Settlement of Disputes (DSU) alleging that continued maintenance of quantitative restrictions on imports by India is inconsistent with India's obligations under the World Trade Organisation. India has accepted the request for consultations.

### **Investment in North-Eastern Region**

2776. SHRI JAGMOHAN: Will the Minister of INDUSTRY be pleased to state:

(a) the total private investment made since the adoption of new economic policy in the seven North-Eastern States in the sectors of power, coal mining, oil and gas exploration/tapping, civil aviation, inland waterways, and roads;

(b) the particulars of the projects in which the said private investment has been made; and

(c) the number of private investors who have availed of the special incentives given for investment in the North-East?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Since the adoption of new economic policy till June, 1997, 16 Letters of Intent involving investment of Rs. 2431 Crores were granted and 87 Industrial Entrepreneurs Memoranda with a proposed investment of Rs. 4017 Crores were filed for setting up of industries in the seven North Eastern States. However, details regarding private investment made in power, coal mining, oil and gas exploration/tapping, civil aviation, inland waterways and roads or special incentives availed by private investors are not centrally maintained.

### **Coal Linkage**

2777. SHRI B.K. GADHVI:

SHRI SHANTI LAL PARSOTAMDAS PATEL:

Will the Minister of COAL be pleased to state:

(a) the parameters of quarterly allocation of coal linkage for power generation;

(b) the quarterly demand of coal by Gujarat Electricity Board during the last three years and the actual allocation made;

(c) whether the supply of coal has been as per the demand;

(d) if not the reasons therefor; and

(e) the future planning for allocation and supply of adequate coal linkage to GEB?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (d) Linkages to power houses in the country including the power houses of Gujarat Electricity Board (GEB) are sanctioned by the Standing Linkage Committee (short term) on quarterly basis taking into account the long term projections, the views of Ministry of Power/Central Electricity Authority, availability of coal, payment and transport constraints and unloading performance of the Power Station etc.

Since outstanding dues from GEB had mounted and the GEB had not made arrangements to clear even the

undisputed dues, linkages to GEB Power Stations had at time been restricted to the extent of payments.

The linkages sanctioned by SLC vis-a-vis actual supplies of coal to GEB Power houses during the last three years are as under:

(In'000 tonnes)

Year	Linkages	Actual despatches
1994-95	13965	11343
1995-96	13425	12135
1996-97	12240	12148

(Provisional)

(e) The future coal requirements of GEB will be met adequately subject to payment record and improving unloading performance by the power houses.

#### **National Bank for Powerloom Sector**

2778. SHRI SHANTI LAL PARSOTAMDAS PATEL: Will the Minister of TEXTILES be pleased to state:

(a) whether the Powerloom Development and Export Promotion Council has suggested for setting up of a National Bank for powerloom Sector;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) Yes, Sir. The Ministry of Textiles has received proposal for setting up of a National Powerloom Development Bank for Powerloom Sector from the Powerloom Development and Export Promotion Council.

(b) and (c) The working Capital and other loan requirements of the Powerloom Sector can be met by NABARD and SIDBI and hence the proposal for setting up a separate National Bank for powerloom sector is not being considered.

[Translation]

#### **I.T.A. Tribunals**

2779. DR. ARVIND SHARMA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Union Government have received any requests from the State Government of Haryana, Income-tax payers people's representation, lawyers and Chairman of Tax-bar Associations for setting up of an Appellate Tribunal at Sonapat, Rohtak or Hissar districts of the State; and

(b) if so, the action taken so far in this regard and the time by which the said tribunal is likely to be set up at any one of the above mentioned places?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a)

Yes, Sir. A demand has been made for setting up of a Bench of the Income-tax Appellate Tribunal at Hissar.

(b) It has not been found possible to accede to this demand due to insufficiency of work. However, Government has recently approved the setting up of a second Bench of the Tribunal at Chandigarh.

#### **National Renewal Fund**

2780. SHRI BUDHSEN PATEL: Will the Minister of INDUSTRY be pleased to state:

(a) whether the proposal of providing assistance from the National Renewal Fund to closed/sick Public Sector Undertakings of the State Governments is under consideration of the Government; and

(b) if so the details thereof and the time by which the State Governments are likely to be informed about the action taken in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The National Renewal Fund (NRF) has been set up by Government in February, 1992 to provide a social safety net for workers affected by technology upgradation, modernisation and industrial restructuring of Indian Industry. Proposals for Financial assistance from the National Renewal Fund have been received from some State Governments.

However, assistance from NRF is presently restricted only to Voluntary Retirement Scheme in Central Public Sector Undertakings and to the schemes for counselling, retraining and redeployment assistance to rationalised workers.

#### **Brito Finance and Trading Company**

2781. SHRI NARENDRA BUDANIA: Will the Minister of FINANCE be pleased to state:

(a) whether many finance companies in Delhi have been misleading the people through advertisement and take 10 per cent of the loan amount from the loan applicants and thousands of rupees are collected in advance in the name of file charges but neither the loan is given nor the advance taken is repaid and the applicant has to face a lot of difficulties to withdraw their amount;

(b) if so, whether the Government have received any complaints in this regard through some Members of Parliament against Brito Finance and Trading Co. (Regd.) B-255, phase-I, Naraina Industrial Area, New Delhi-20;

(c) if so, the details thereof; and

(d) the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) While there have been reports of irregularities committed by some non-banking financial companies in different parts of the country, Reserve Bank of India (RBI) have not come across any case of taking 10 per cent of loan as commission and taking



of file charges from applicants. RBI has deputed an officer to make enquiry in this regard and he has been informed that the Brito finance and Trading Co. Ltd., New Delhi is a consultancy firm dealing with industrial project loans, bank loans for plant and machinery, working capital etc. The firm provides assistance to borrowers in getting loans sanctioned and it earns commission for the services rendered.

(b) No such complaint appears to have been received in Banking Division in the recent past.

(c) and (d) Do not arise.

[English]

### Foreign Donations

2782. SHRI TILAK RAJ SINGH:

SHRI BHIMRAO VISHNUJI BADADE:

SHRI R. DEVADASS:

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

(a) whether the attention of the Government has been drawn to the news-item captioned "Efforts on to let Cong. of the hook" appearing in 'The Hindustan Times' dated July 23, 1997;

(b) if so, the factual position thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) Yes, Sir.

(b) It is the opinion of the Correspondent of the paper and not that of Government.

(c) The matter is pending in Delhi High Court. Since the matter is subjudice, no views can be expressed at this stage.

### Restriction on Imports

2783. SHRI K.P. SINGH DEO: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have imposed restrictions on the import of some agricultural and consumer goods;

(b) if so, the details of those items;

(c) whether the Government propose to relax the restriction on the import of some farm goods; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) Import of agricultural and consumer goods continues to be restricted under the current Export & Import Policy. However, import of certain agricultural & consumer goods is

permitted either freely or against the transferable Special Import Licence. Item-wise import policy of various goods is indicated in the ITC (HS) Classifications of Export & Import Items, copies of which are available in the Parliament library.

(c) & (d) Review of Export and Import Policy is an on going process and changes in it are made from time to time as and when considered necessary.

### Export of Gold Jewellery

2784. SHRI AJMEERA CHANDULAL: Will the Minister of COMMERCE be pleased to state:

(a) the value of gold jewellery exported from India during each of the last three years;

(b) whether it is a fact that exports of gold jewellery from the country have virtually come to a stand still in recent months;

(c) if so, the reasons therefor; and

(d) the steps taken to boost jewellery export during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) The value of gold jewellery exported from India during each of the last three years is given below:

(US \$ Million)

Year	Value
1994-95	421.20
1995-96	480.40
1996-97	511.80

(Source: DGCI&S)

(b) No, Sir. The exports of gold jewellery during the period April-June, 1997 vis-a-vis April-June, 1996 is given below:

(US \$ Million)

April - June '97 (Pro.)	156.23
April - June '96	146.97

(Source: GJEPC, Mumbai)

(c) Does not arise.

(d) Gold Jewellery has been identified by the Government of India as an Extreme Focus product and continues to be a thrust area of our exports. Accordingly, the Government has taken a number of steps to boost exports from this sector during 1997-98 which include : (i) in order to increase the supply of gold, RBI has been authorised to nominate additional agencies for the import and supply of precious metals to exporters; (ii) third party

exports have been allowed in order to encourage small exporters; (iii) value addition norms have been further simplified; and (iv) the period for the fulfilment of export obligation has been suitably increased.

#### **Air Intelligence Unit**

2785. SHRI N. RAMAKRISHNA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to set up an Air Intelligence Unit;

(b) if so, the airports to be checked against smuggling and other illegal activities; and

(c) the steps taken/proposed to be taken to check economic offences which are on the rise in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Air Intelligence Units (AIUs) of Customs are already functioning at the respective International airports. AIUs are engaged in gathering intelligence and taking specific action to prevent and check smuggling activities.

(c) Field formations are alert to detect and prevent economic offences in the country. Specific measure taken includes targeting of intelligence; surveillance over sensitive area to curb smuggling; setting up of Directorate of valuation to detect cases of customs under-valuation; strict and deterrent action is taken against the persons found involved in smuggling and economic offences.

#### **Guidelines for JRY/NRY etc.**

2786. SHRI P.R. DASMUNSI: Will the Minister of FINANCE be pleased to state:

(a) whether Union Government/RBI have issued any specific guidelines to maintain the personal ledger account, frame treasury rules etc. for respective States;

(b) if so, the details thereof;

(c) whether any specific directions have also been given to State Governments to keep separate accounts for JRY/NRY schemes, Employment Assurance Scheme etc.; and

(d) If, so, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) The information is being collected and to the extent available, will be laid on the Table of the House.

#### **Health Insurance to Private Sector**

2787. SHRI VIJAY GOEL: Will the Minister of FINANCE be pleased to state:

(a) the prime reasons for setting up of the Health Insurance to the private sector;

(b) whether the Government have chalked out any guidelines/directions for those aspiring to enter into this business; and

(c) whether the Government have sorted out the problems associated with settlement of medi-claims which is a major source of public dissatisfaction and the steps taken in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) (a) and (b) In the Budget Speech, the intention of the Government was announced to move necessary amendments to enable GIC to float joint ventures and also to allow entry of selected Indian players in the health insurance sector in view of the low penetration of health insurance cover in the country and the demand for new health insurance products. Comprehensive regulations will be made and enforced by the Insurance Regulatory Authority for all health insurance service providers.

(c) The GIC had, in July/August, 1996, made certain amendments in the Medi-claim Insurance Policy to make the administration of the Scheme and the claims settlement procedure simpler. The overall limits of reimbursement have been enhanced and various sub-limits, such as, room charges, doctors' fees, medicines and diagnostic charges, etc. have been removed. This simplification will help in prompt settlement of health insurance claims on compliance of requirements by the claimants.

#### **Export of Mangoes**

2788. SHRI P. UPENDRA: Will the Minister of COMMERCE be pleased to state:

(a) whether there is a great possibility of exporting mangoes from India to other countries;

(b) whether Australia has shown interest in importing Indian mangoes and setting up a Mango Processing Centre in Andhra Pradesh; and

(c) if so, the details thereof and the reaction of the Union Government thereto?

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

(b) and (c) Australia has currently prohibited the import of fresh mangoes from India on grounds of pest infestation. As soon as efficacious treatment to eradicate pest of concern of mangoes is found, it would be possible to export mangoes to Australia. Government is not aware of any Australian Interest in setting up of a Mango Processing Centre in Andhra Pradesh.

[Translation]

#### **Use of Hindi**

2789. SHRI JAGDAMBI PRASAD YADAV: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of meetings of Hindi Consultative

Committee in the Ministry held after its reconstitution during the last two years;

(b) whether the Rajbhasha is being neglected intentionally;

(c) if so, the reasons therefor;

(d) the number of Magazines/Pamphlets published in Hindi by departments and undertakings under the Ministry;

(e) whether their special issue would be published in the Golden Jubilee Year of Independence; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) No meeting of the Hindi Consultative Committee could be held during the last two years, as the Committee has been recently constituted on 18.6.1997 and its first meeting is scheduled to be held on 9.9.1997.

(b) and (c) No Sir, the meetings of Official Language Implementation Committee are held regularly to review the use of Rajbhasha in the Official work.

(d) Five

(e) and (f) Efforts will be made to publish a special issue of Hindi Patrika namely "Vidhaye Patrika" in the Golden Jubilee Year.

[English]

#### **Request to World Bank to Double its Loan**

2790. SHRI AJOY MUKHOPADHYAY: Will the Minister for the State in the Ministry of FINANCE be pleased to state:

(a) whether the RBI Governor has urged the World Bank to double its loan to India and the World Bank has responded in positive;

(b) if so, the appropriate modality to finalise such an issue;

(c) whether the Government are considering to set up a Commission to assess the impact of World Bank's loans taken by India till now;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) No Sir. The Reserve Bank Governor has not urged the World Bank to double its loan to India.

(b) Do not arise.

(c) and (d) No Sir. Does not arise.

(e) The loans and credits from World Bank are of

a concessional nature with long maturity period enabling the Government to undertake developmental projects in social and infrastructure sectors which will yield long-term benefits to the country.

#### **Trade Agreement With Romania**

2791. SHRI MANIBHAI RAMJIBAI CHAUDHARI: Will the Minister of COMMERCE be pleased to state:

(a) whether any agreement has been signed between India and Romania for increasing trade; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) Yes, Sir. Government of India and the Government of Romania has signed a bilateral framework agreement to augment the bilateral trade and economic relations.

(b) the salient features of this agreement are inter-alia, as follows:

(i) All trade in hard currency on internationally competitive pricing and norms;

(ii) extension of Mutual-Most-Favoured-Nation-Treatment;

(iii) encouragement to direct business level contacts, for example, through trade fairs exchange of visits of delegations etc.;

(iv) promotion of joint ventures and other forms of economic cooperation;

(v) encouragement of counter-trade and its variants;

(vi) setting up of joint commissions and holding of these meetings periodically to review the implementation of this agreement;

(vii) encouraging setting up of infrastructural facilities like joint ventures banks etc;

This agreement had provisionally come into force w.e.f. 1.4.1993.

#### **NICL, Mysore**

2792. SHRIMATI JAYAWANTI NAVIN CHANDRA MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether National Insurance Company Limited, Mysore has disowned the contractual obligation under various policies, particularly policy No. 62319 dated 30th June, 1994; and

(b) if so, the number of cases reported and facts thereof and the circumstances warranting refusal of insurer to honour its obligation to insure when prima-facie, the loss suffered was on account of piracy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) General

Insurance Corporation of India has reported that National Insurance Company Limited, Mysore did not issue policy document bearing No. 62319 dated 30th June, 1994 and also did not disown contractual obligation under any of the policies.

#### **World Bank wants Govt. to lower Stake in Rural Banks**

2793. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has advised dilution of Government equity in rural banks, particularly those into losses;

(b) If so, whether the World Bank has decided to take a significant exposure in the regional rural banks as suggested that either RRBs should be merged with the sponsor commercial banks or groups of RRBs be amalgamated into more viable entities; and

(c) If so, the other suggestions made by the World Bank in regard to rural banks and to What extent the Government has accepted these recommendations and the steps being taken to implement them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Based on the work conducted by the Identification and Preparation Missions fielded by the World Bank in 1996-97, the World Bank have submitted a report on a possible project for providing assistance for expanding rural credit. Assistance for recapitalisation and strengthening of Regional Rural Banks (RRBs) is likely to be considered as one of the components of this project. Decision regarding ownership and management structure of RRBs will be taken by Government taking into account their role and need of rural credit.

#### **Vysya Bank Fraud**

2794. SHRI I.D. SWAMI: Will the Minister of FINANCE be pleased to refer to the answer given to unstarred question No. 3139 dated December 13, 1996 regarding irregularities in Vysya Bank Ltd. and state:

(a) the number of officers in the Vysya Bank Ltd. all over the country involved in issuing cheque books on forged documents and forged signatures and for issuing cheque books on forged signatures by contravening the prescribed procedure, branch-wise;

(b) how many of the officers deputy managers and managers were issued show cause notices;

(c) the outcome of the action against the officers and the details of the action taken against the officers finally; and

(d) If the case have not yet been finalised, the reasons for the delay and the steps taken to expedite the finalisation thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) As per the information furnished by Reserve Bank of India (RBI), four officers in Vysya Bank Ltd. were involved in issuing cheque books on forged documents.

(b) According to RBI, nine officers in Vysya Bank Ltd. were issued show-cause notices for issuing cheque books and for passing forged cheques. Besides, one Deputy Manager and one Manager were also issued show-cause notices for supervisory lapses.

(c) and (d) RBI has further reported that the Vysya Bank Ltd. have taken action/is taking action against the erring officials as per the extant disciplinary rules and service conditions of the employees/officers of the bank.

#### **US and Other Major Trading Partners**

2795. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether India is willing to revoke the most favoured nation MFN exception taken by it in the financial services sector, provided its major trading partners-including the US reciprocate; and

(b) If so, the reaction of U.S. and other major trading partners to India's offer to revoke MFN exception?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) The negotiations on Financial Services are still going on, and they are scheduled to conclude only on 12 December, 1997. India is yet to table a revised offer in these negotiations.

(b) Does not arise.

[Translation]

#### **Loans For Higher Education**

2796. SHRI ASHOK PRADHAN: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 5061 dated May 7, 1997 pertaining to bank loans for higher education and state:

(a) whether information has since been collected in this regard;

(b) If so, the details thereof; and

(c) the reasons for delay in this regard and by when the information is likely to be placed on the Table of the House?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) As reported by the State Bank of India, the Convenor Bank for the State Level Bankers' Committee for the State of Uttar Pradesh, the details of loans sanctioned by different banks to students seeking engineering and medical education in Uttar Pradesh especially in rural and backward areas for the past three years such as 1994-95, 1995-96 and 1996-97 are given in the attached Statement.

**Statement**

*The Statement showing Bank Loans to Students of Engineering and Medical Education in Uttar Pradesh in Rural and Backward Areas during 1994-95, 1995-96 and 1996-97*

(Amount : Rs. in lacs)

Name of the Bank	1994-95		1995-96		1996-97	
	No.of	Amount	No. of	Amount	No. of	Amount
	A/cs	Sanctioned	A/cs	Sanctioned	A/cs	Sanctioned
State Bank of India	4	2.87	2	3.5	8	4.08
Bank of India	—	—	—	—	12	3.75
Oriental Bank of Commerce	1	0.40	1	0.3	2	0.62
Bank of Baroda	5	3.25	7	7.5	6	5.50
Canara Bank	1	2.00	6	6.3	7	6.27
Syndicate Bank	15	3.34	1	1.0	11	1.92

*[English]***Small Scale Industries**

2797. SHRI RAM NAIK: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government has received any requests from the Indian Council of Small Industries for holding discussions with the large number of representatives of small scale sector regarding Central Excise;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir. The Government had held a meeting with the representatives of various associations representing the small scale industries on 3.6.97 including the Indian Council of Small Scale Industries. In the said meeting, the Indian Council of Small Scale Industries had, inter-alia, suggested for increasing the duty exemption limit for small scale industries from Rs. 30 lakhs to Rs.100 lakhs in a year, providing higher value slabs for availment of concessional rate of duty both for units availing the MODVAT and units not availing MODVAT, option for availing MODVAT at any point of time during a year and setting up of a Committee to resolve the classification disputes.

(c) The government have carefully examined the various suggestions made by the Small Scale Industries associations. As the existing full duty exemption limit of Rs. 30 lakhs for the purpose of central excise duty is found to be adequate to take care of the genuine needs of the small scale industry as bulk of the small scale units have a turnover of less than Rs. 30 lakhs in a financial year, it was not found feasible to accede to the said suggestion.

Regarding the request for allowing availment of MODVAT credit while paying concessional rate of excise duty, the Government have notified a revised scheme vide Notification No. 38/97-CE dated 27.6.97. In terms of the scheme, small scale units are eligible for a concessional rate of duty of 60% of the normal duty for clearances between Rs. 0-50 lakhs and a concessional rate of duty of 80% of the normal duty for clearances between Rs. 50-100 lakhs in a financial year while availing MODVAT credit of duty paid on their inputs or capital goods. Clearances in excess of Rs.100 lakhs attract normal duty and a small scale unit can avail the aforesaid concession until he crosses a turnover limit of Rs.300 lakhs in a financial year. The scheme also provides for opting for the MODVAT scheme at any point of time during a financial year and once an option is exercised the same cannot be changed during the financial year. However, clearances made prior to the exercise of the option as aforesaid will be taken into account for determining the value limits for the concessional rates of excise duty.

As regards the suggestion for formation of a Committee to decide classification matters, it may be pointed out that classification of commodities under the Excise law is a quasi-judicial function with appellate remedies and therefore it may not be feasible to accept the suggestion made in this regard. In this context, it may also be mentioned that if the SSI unit do not wish to avail of MODVAT, then they have to pay concessional rate of duty upto Rs. 1 crore at same rate, irrespective of the nature of goods produced. To that extent, the classification problem does not arise.

**Vidhi Melas**

2798. SHRI A. SAMPATH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government propose to hold country-wise "Vidhi Melas" for the disposal of long pending cases, as a part of speedy remedy;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D.KHALAP): (a) No Sir. But, nevertheless, the Lok Adalats are being organised by the State Legal Aid & Advice Boards/State Legal Services Authorities in different parts of the country from time to time for disposal of pending cases which are capable of resolution by the Lok Adalats. The recent Law Ministers' Conference have decided to hold intensive Lok Adalats from 15th August, 1997 to 15th August, 1998.

(b) and (c) Question does not arise in view of the reply to (a) above.

#### **Procedure for Import of Goods**

2799. SHRI MANIKRAO HODLYA GAVIT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have recently simplified the procedure for import of goods to cut down on the delay in customs clearance of consignments; and

(b) if so, the details regarding the guidelines issued in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Section 46(3) of the Customs Act, 1962 provides for filing and processing of Import General Manifest and the import documents before arrival of the vessel or the aircraft carrying the goods into the country. Vide Circular No.22/97 dated 4.7.1997 the Government have notified the detailed procedure for filing the documents by the importers in advance of arrival of the vessel or aircraft and its processing in the Custom Houses. The procedure inter-alia prescribes the method for submission of the documents, noting and assessment of the documents.

[Translation]

#### **Textile Design Exhibition**

2800. SHRI JAI PRAKASH AGARWAL: Will the Minister of TEXTILES be pleased to state:

(a) whether any Textile Design Exhibition has been organised in Delhi during last 3 years;

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

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

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

(e) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b) No Textile Design exhibition as such was organised during the last 3 years. However, 12 design-cum-sale exhibitions under National Design Collection Programme were organised i.e. Lajpat Nagar (3), Lodhi Hotel (2), Wazirpur Industrial Area, Pritampura, South Extension, Khan Market, Rani Bagh, Krishna Nagar and Pragati Maidan. In addition to this, 4 dyeing and design exhibitions in the handloom cluster areas were organised by the Weavers Service Centre, Delhi to propagate modern dyeing designing and make available designs at the doorstep of weavers i.e. 2 at Weavers Service Centre, Bharat Nagar and one each at Sawan Park and Nand Nagri.

(c) No export order received for the items exhibited in these exhibitions.

(d) and (e) 2 Dyeing and design exhibitions are proposed to be organised by Weavers Service Centre, Delhi i.e. one each at Weavers Service Centre, Bharat Nagar and Sawan Park for the benefit of Weavers.

[English]

#### **Investment in Core Sector**

2801. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) Whether as per the recent estimate, the country needs an investment of Rs. 1.80,000 crore in the core sector of the country;

(b) if so, break-up of the sectors and investment required; and

(c) the manner in which the Government propose to manage such huge funds for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) The detailed investment requirements for the core and infrastructure sector of the country is presently being worked out and will be presented in the Ninth Five Year Plan Document.

#### **To Improve Customer Services**

2802. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) the steps taken/being taken by the Government to improve the customer services in the nationalised banks;

(b) whether Government have appointed any Commission to suggest ways to improve the customer services in the banks; and

(c) if so, whether the Government have accepted any of the recommendation of the Committee/commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) It has been the constant endeavour of Government and Reserve Bank of India (RBI) and individual banks to improve customer service.

In September 1990, RBI set up a Committee on customer services in banks under the Chairmanship of Shri Golporia to go into various aspects of customer services in banks and to make suitable recommendations for its perceptible improvement. The Committee made 97 recommendations out of which 86 recommendations have been accepted by banks for implementation.

A scheme of Banking Ombudsman, 1995 has been introduced for quick redressal of customer grievances. Banking Ombudsmen have been appointed at 14 centres covering the entire length and breadth of the country. This scheme has by and large prompted banks to streamline their internal complaints redressal mechanism/procedures. Banks have been taking the following steps on a continuing basis:

1. Increased computerisation of branches;
2. Introduction of High-tech information technology;
3. Setting up of specialised branches like SSI Branches, Industrial Finance Branch, Overseas Branches etc. for providing specialised services;
4. Providing man power training facilities for human resources development;
5. Appointment of Nodal Officers by nationalised banks to handle customer complaints. A list of Nodal Officers has been published in the Newspapers for the information of customers.

#### **GIC's Houses Allotted to the Bachelor Officers**

2803. DR. RAMESH CHAND TOMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Committee appointed by New India Assurance Company Ltd. have recommended allotment of company's house to bachelor officers not covered under rule and whether the Company has made allotment of houses to bachelor officers contrary to the guidelines dated May 22, 1992 in this regards;

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

(c) whether GIC propose to hold any inquiry into the inordinate delay and irregularities in the allotment of company's houses to the officers by NIAC in the National Capital Region;

(d) whether allotment of houses made contrary to rules will be cancelled; and

(e) if not, the steps taken/proposed to be taken to rectify the irregularities?

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

#### **Wagon Industry**

2804. SHRI HARADHAN ROY: Will the Minister of INDUSTRY be pleased to state:

(a) whether the wagon orders by the Railways have declined during 1997-98;

(b) if so, the details thereof alongwith the actual decline against anticipated orders, PSUs-wise;

(c) the likely impact on the wagon manufacturing units of public sectors; and

(d) the steps taken by the Government to remedy the situation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) The wagon orders by the Railways during 1997-98 (upto 5-7-97) as compared to the orders for 1996-97 is attached as statement.

(b) The actual wagon orders against anticipated orders PSU wise is at table 2 of annexure.

(c) and (d) Wagon orders below expected level will result in under-utilisation of installed capacities, which will increase cash losses of the PSUs. Ministry of Railways have been requested of sufficiently load the PSUs.

	1996-97		1997-98	
	Public Sector	Private Sector	Public Sector	Private Sector
Orders carried forward from previous year	9,742.5	7,467.5	5,230	6,875
Orders released during the year	3,685	11,532.5	3,935	6,010
Total:	13,427.5	19,000	9,165	12,885
<b>Grand Total:</b>		<b>32,427.5</b>		<b>22,050</b>

Table 2 referred to in reply to part (b) of Lok Sabha Unstarred Question No. 2804 for answer on 08.08.1997.

(In Four Wheeler Units)

Name of Unit	Anticipated orders	Wagon orders released so far	Difference in workload
Bharat Wagon & Engg. Co. Ltd.	1,590	980	610
Braithwaite & Co. Ltd.	1,300	725	575
Burn Standard Co. Ltd.	2,850	347.5	2,502.5
Jessop & Co. Ltd.	350	0	350
<b>Total:</b>	<b>6,090</b>	<b>2,052.5</b>	<b>4,037.5</b>

**Exemption From Registration**

2805. SHRI SURESH PRABHU: Will the Minister of FINANCE be pleased to state:

(a) whether the State Industrial Development Corporations (SIDCs) and some other companies have sought exemption from the Reserve Bank of India (RBI) for registration as a Non-Banking Finance Company (NBFC);

(b) if so, the grounds on which the exemption is being sought; and

(c) the reaction of the RBI thereto?

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

**Production and Supply of Coal**

2806. SHRI ANIL BASU: Will the Minister of COAL be pleased to state:

(a) the quantum of coal extracted from the mines of West Bengal during each of the last three years;

(b) the quantity of coal allotted to various sectors/industries of West Bengal during this period;

(c) whether the Government of West Bengal have requested for allotment of additional quota of coal; and

(d) if so, the decision taken thereon so far?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Coal produced from the mines of Coal India Ltd. located in the State of West Bengal during the last three years is as under:

(million tonnes)

1994-95	1995-96	1996-97
16.72	17.5	17.66

(b) The requirements of coal for various consumers are assessed industry/sector-wise for the whole country and are not assessed State-wise. However, sectorwise despatches for the State of West Bengal during the last three years is as follows:

(million tonnes)

Sector	1994-95	1995-96	1996-97
Power House	15.25	16.37	17.53
Steel	03.14	03.05	03.05
Cement	00.003	00.005	00.003
Fertilizer	—	00.03	00.02
Paper	00.12	00.18	00.18
Textile/Rayon	00.11	00.09	00.10
Soft Coke	00.06	00.04	00.04
Others	02.50	02.63	02.61
<b>Total:</b>	<b>21.183</b>	<b>22.395</b>	<b>23.533</b>

(c) As informed by CIL, no request for allotment of additional quota has been received from Government of West Bengal.

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

**Housing Loan Scam in New India Assurance Co. Ltd.**

2807. SHRI SOUMYA RANJAN: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 1233 on 19th July, 1996 and state:

(a) the details of action taken by New India Assurance Co. Ltd. in the 'Housing Loan Scam' so far;

(b) whether the vital documents like voucher, account books and floppy have been destroyed as reported



in the Financial Express of June 4, 1996;

(c) if so, the details of persons responsible for destroying the above evidences;

(d) the details of various modus-operandi used in the fraud alongwith the details of officers responsible for negligences in sanctioning the fraudulent and bogus housing loans;

(e) whether an investigation has been carried out by a independent investigation agency; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) It has been reported that the investigation relating to the Housing Loan Accounts has since been completed. One Administrative Officer (since retired), one Senior Assistant and two Assistants were found responsible for the fraud. The senior assistant has already been suspended. Charge Sheets are under preparation. A number of irregularities have been noticed in the issue of loans such as—releasing more amounts than the loan sanctioned; releasing direct payments to builders without the knowledge of the employee; releasing loan instalments in the name of relatives; releasing loans to those who did not apply for a loan; manipulation of Housing Loan Accounts etc. Since action against the Employees/Ex-employees can be taken by the Company under the existing Conduct/Pension Rules, the Company felt that it was not necessary to hand over the investigation to an independent agency.

#### **Import of Machinery**

2808. SHRI JITENDRA NATH DAS: Will the Minister of COAL be pleased to state:

(a) the amount spent in import of machineries/appliances by the Coal India Ltd. and its subsidiaries during each of the last three years;

(b) the foreign exchange involved therein;

(c) whether these imported machineries were available in the country; and

(d) if so, the reasons for such imports?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Coal India Limited (CIL) and its subsidiaries incurred the following expenditure for import of machinery and appliances during the last three years:

Year	Landed Cost (In Ruppes)
1994-95	6,16,29,555
1995-96	19,44,33,336
1996-97	10,48,35,930

(b) Foreign Exchange involved is as under:

Japanese Yen	34,42,16,000
DM	72,48,606
US Dollars	25,55,450
French Francs	6,17,200

(c) and (d) All machinery/appliances are being purchased following the prescribed tender procedure. L-1 suppliers are considered, be these Indian or Foreign companies, unless their past performance, in term of delivery schedule and quality are bad. Single source supplies are also avoided so as to ensure reliability of supply as per schedule and need. Domestic manufacturers and orders are considered on this principle.

#### **Stock Exchange**

2809. SHRI SUSHIL CHANDRA: Will the Minister of FINANCE be pleased to state:

(a) whether the stock Exchange Index has gone up in all the stock exchanges of India these days;

(b) whether this rise in the index is due to heavy purchase of shares of Indian companies by the foreign companies and other institutions and other reasons for the rise in the index despite the prevailing depression in the Indian Industrial and trade sector;

(c) whether the increasing participation of the foreign companies and investors or NRIs in Indian capital market is due to high rates of interest in India; and

(d) whether regarding induction of foreign funds into the Indian capital market there is general feeling that these foreign funds after convertibility in rupees are likely to be withdrawn from the Indian capital market and if so, the steps taken by the Union Government to check this move by the foreign Companies?:

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir. The indices of major Stock Exchanges have gone up between 1.1.97 and 31.7.97.

(b) Movement of share prices are generally attributable to the expectations of investors regarding the performance of the corporate sector and the economy, perceptions of investors about economic policies of the Government, developments in the international capital markets and speculative activity.

(c) The increasing participation of the foreign companies and investors or NRIs in Indian capital market could be attributed to a host of congenial factors which include strong macro-economic fundamentals, sound external sector as reflected in manageable current account deficit and increasing foreign exchange reserves, liberalisation of the foreign investment policy, improvements in the working of Indian capital markets and many factors in countries from which investment is coming.

(d) At present, foreign investment inflows in the form of Investment in stock exchanges in India by Foreign Institutional Investors (FIIs), the amount raised by Indian companies through Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs), the investment in shares and debentures of Indian Companies by foreign investors and most of the investment in shares and debentures of Indian companies by Non-resident Indians are fully repatriable. The experience with foreign participation in Indian Capital market in the period 1993-96 shows that outflow of foreign portfolio funds either as disinvestment or dividend, has been insignificant.

#### **Excise Duty on Oil Industries**

2810. SHRI YELLAIAH NANDI:

DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether the decision for additional burden of excise duty imposed on major players in the field of oil have landed them on the great trouble;

(b) if so, whether these industrialists have urged the Ministry to withdraw these excise duties;

(c) whether some of the companies like Indian Oil, Castrol India, Tide water, Mobile and others will have to end up bearing an additional annual burden of Rs. 200 crores, Rs. 50 crores and Rs. 20 crores respectively;

(d) whether a large number of firms are working on projects to get rid of the additional burden;

(e) whether the Finance Ministry has considered their suggestions; and

(f) if so, the steps being considered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) In the budget for 1997-98, no change in the customs or excise duty rates on petroleum products has been effected. In the budget for 1996-97, customs duty on petroleum crude had been reduced from 35% to 25% and the excise duty on petroleum products, other than kerosene and LPG, had been increased from 10% to 15% the Ministry of Finance is not aware as to whether the increase in excise duty has landed the major players in the field of oil in any great trouble.

(b) to (f) In view of the (a) above, do not arise.

#### **Service Charges by STC & MMTC**

2811. SHRI SULTAN SALAHUDDIN OWAISI:

DR. LAXMINARAIN PANDEY:

Will the Minister of COMMERCE be pleased to state:

(a) whether STC and MMTC are charging service

charges for importing different items,

(b) if so, the details thereof;

(c) whether there is a great anomaly in service charges of different items, especially in wheat and fertilizers;

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

(e) the steps taken to remove the anomalies?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (e) Yes, Sir. Administrative Staff College of India (ASI), Hyderabad had examined the aspect for payment of service charges and overheads of commodities handled by STC. Based on the recommendations made by ASI, Hyderabad which were accepted, the Government had been making payment of overheads to STC in proportion to sales in addition to interest on capital employed plus 0.5% of CIF value as service charge in respect of import of edible oils. However, in regard to import of sugar during 1994-95, the Ministry of Finance decided for payment of 1.20% of CIF value as service charges which was paid by FCI. The same rate of service charge as for sugar has been mutually agreed to between FCI and STC for wheat imports as the present imports of wheat have been entrusted to STC only. The service charge of Rs.17 PMT is being paid to STC and MMTC for urea imports as fixed by the Government.

In respect of metals, MMTC recovers pre-determined service charges as percentage of sales price for import and Committed sale on 'high seas' basis. For sales of metals from stock ex-godown, service charges are realised by MMTC on the basis of the prevailing market forces.

#### **Private Investment in Core Sector**

2812. SHRI MAHESH KUMAR M. KANODIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether private investments in core sector projects in the country have been much below the Government's expectations despite several policy initiatives were taken to improve the same since 1991;

(b) if so, the details thereof;

(c) the reasons identified therefor; and

(d) the fresh measures proposed to be taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The data on private investment in "Core Sector" is not centrally maintained. However, the overall Gross Domestic Capital formation of the public sector was Rs.69,426 Crores in 1993-94, Rs.83,709 Crores in 1994-95 and Rs.89,589 Crores in 1995-96.

(c) and (d) Do not arise.

**Numbers of Fraud Cases Above 25 Lacs**

2813. LT. GEN. PRAKASH MANI TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) The bank-wise, details of pending cases of frauds, scams, financial bunglings etc. in Public Sector Banks involving amount of Rs.25 lacs and above along with the date of detection and the stage at which each such case is pending.

(b) the details of the cases, out of the above pending with the Central Vigilance Commission and/or the Central Bureau of Investigation;

(c) the action taken against those bank executives, particularly those in Scale V and above, who are involved in such pending cases;

(d) the deterrent action the Government propose to take against those senior executives of the Public Sector Banks after their guilt is proved; and

(e) if not, whether the Government propose to lay down a time schedule to complete investigations in such pending cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) Readily available information in regard to the number of frauds detected in the public sector banks in the past three years, bank-wise, is given in the attached statement.

The cases of frauds, are normally referred to the Central Bureau of Investigation (CBI) or the local police for investigation. The Investigating agency, on completion of investigations may prefer to file a charge-sheet, or recommend departmental action or close the case. In cases of departmental action, the banks are required to consult the Central Vigilance Commission (CVC) as per the procedure laid down. Readily available data in regard to the action taken against delinquent employees involved in cases of frauds is as follows:

	1994	1995	1996
(i) No. of employees convicted	50	33	46
(ii) No. of employees awarded major/minor penalty	1248	1160	1207
(iii) No. of employees dismissed/discharged/removed	360	301	331

The nature of investigations and the time taken in completing the investigations varies from case to case. Further, departmental proceedings are in the nature of quasi-judicial proceedings where the rules of natural justice have to be strictly adhered to. However, public sector banks have been advised to complete departmental proceedings as expeditiously as possible.

**Statement**

*Statement showing bank-wise number of frauds detected in public sector banks during the years 1994, 1995 and 1996*

Sl.No.	Name of the Bank	No. of Frauds		
		1994	1995	1996
1	2	3	4	5
1.	State Bank of India	616	554	468 *7
2.	State Bank of Bikaner & Jaipur	21	18	13
3.	State Bank of Hyderabad	23	40	36
4.	State Bank of Indore	26	09	16
5.	State Bank of Mysore	37	38	23
6.	State Bank of Patiala	30	33	19
7.	State Bank of Saurashtra	12	09	13
8.	State Bank of Travancore	25	22	29
9.	Allahabad Bank	39	48	59
10.	Andhra Bank	25	41	37
11.	Bank of Baroda	159	114	101
		*15	*10	

1	2	3	4	5
12.	Bank of India	215	156	158
		*11	*04	
13.	Bank of Maharashtra	50	31	34
14.	Canara Bank	217	167	213
15.	Central Bank of India	130	73	142
16.	Corporation Bank	38	23	23
17.	Dena Bank	22	14	27
18.	Indian Bank	60	37	34
19.	Indian Overseas Bank	71	43	49
20.	Oriental Bank of Commerce	14	12	30
21.	Punjab National Bank	118	56	66
22.	Punjab & Sind Bank	17	17	24
23.	Syndicate Bank	103	109	154
24.	Union Bank of India	39	59	79
25.	United Bank of India	43	40	33
26.	UCO Bank	58	74	39
27.	Vijaya Bank	32	39	28
Total		2266	1890	1954

\*\* Outside India

(Data Provisional)

**Violation of Guidelines by Private Sector Banks**

2814. SHRI JANG BAHADUR SINGH PATAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry had written to the RBI in March, 1997 to ascertain if certain private sector banks have violated the RBI guideline regulations;

(b) if so, whether the RBI has looked into the matter and the outcome thereof; and

(c) the action taken by the Govt. thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) whenever complaints are received relating to violation of guidelines/regulations by private sector banks, they are forwarded to Reserve Bank of India (RBI), which is the regulator for the banking industry.

(b) and (c) According to RBI, they have taken steps to evolve a system whereby an alert mechanism for monitoring compliance to RBI/Government directive, by the banking system is ensured. Furthermore, after the constitution of the Board for Financial Supervision (BFS), RBI have developed a focused system of banking supervision.

**Scams by Indian Banks in Foreign Countries**

2815. SHRIMATI LAKSHMI PANABAKA: Will the Minister of FINANCE be pleased to state:

(a) whether all the 28 nationalised banks including the branches of Indian banks operating in foreign countries are involved in Banks' scams;

(b) If so, whether the Prime Minister had issued directions to all the concerned to enquire into all the bank's scams;

(c) If so, the total number of enquiry reports against the banks so far submitted to the Govt.; and

(d) the total amount involved both in India and abroad and what action has been taken against those held responsible?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (d) The information relating to number of frauds detected in public sector banks including their overseas branches, amount involved and action taken against delinquent employees for their involvement in frauds during the years 1994, 1995 and 1996 is given below:

	1994	1995	1996
(i) Number of frauds	2266	1890	1954
(ii) Amounts Involved (Rs. in lakhs)	20007.88	11551.12	31937.63
	+Uganda Shillings 9844000		
(iii) No. of employees convicted	50	33	46
(iv) No. of employees awarded major/minor penalty	1248	1160	1207
(v) No. of employees dismissed/discharged/removed	360	301	331

(b) Prime Minister has not issued any instructions to any investigating agency looking into the various scams.

(c) Does not arise.

#### **Directive of Prosecution of Senior Bank Officials**

2816. PROF. P.J. KURIEN: Will the Minister of FINANCE be pleased to state:

(a) whether Finance Ministry has issued a directive prohibiting prosecution of senior bank officials without prior sanction;

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

(c) the number and details of requests pending with the Finance Ministry for prosecution; and

(d) the details of sanction already given for prosecution?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) No, Sir. However, under Section 197 of Criminal Procedure Code, no Court shall take cognizance of an offence by a public servant not removable from his office save by or with the sanction of the Government except with the previous sanction of the Central Government or the State Government concerned employing him at the time of alleged commission of the offence.

(b) Does not arise.

(c) and (d) According to information readily available, during the year 1997, in one case relating to a former whole time Director of a nationalised bank, sanction for prosecution has been communicated to Central Bureau of Investigation (CBI). As on date, there is one case relating to a retired whole time Director of a nationalised bank pending for sanction for prosecution and necessary action has been initiated to process the request of CBI.

#### **Payments of Dividend**

2817. SHRI PRAKASH VISHWANATH PRANJPE:

SHRI ANANT GANGARAM GEETE:

SHRI MADHUKAR SARPOTDAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to provide statutory mechanism with corporate accountability to enforce mandatory payment of the dividends with the stipulated period including follow up action for payment of dividends which remain unpaid after reconciliation of dividend payment accounts;

(b) if so, the details thereof; and

(c) the amount of unclaimed dividend transferred to General Revenue Account of the Central Government under section 205A of the Companies Act during the last three financial years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) There is already a statutory mechanism provided in the Companies Act, 1956 for expeditious payment of dividend to the shareholders vide Section 205A of Companies Act, 1956. Section 207 of the said Act stipulates that where a dividend has been declared by a company but it has not been paid, or the warrant in respect thereof has not been posted, within 42 days from the date of declaration, to any shareholder entitled to the payment of the dividend, every director of the company shall, if he is knowingly a party to the default, be punishable with simple imprisonment for a term which may extend to seven days and shall also be liable to fine.

The Companies Bill which is expected to be introduced during this Session will contain provisions to further safeguard the interests of investors.

(c) The unclaimed dividend transferred to General Revenue Account during last three years is as follows:

	Year	Amount
1.	1994-95	Rs. 14,11,86,403/-
2.	1995-96	Rs. 17,47,35,388/-
3.	1996-97	Rs. 21,37,80,357/-

[Translation]

### Coal Mines

2818. SHRI DEVI BUX SINGH: Will the Minister of FINANCE be pleased to state:

(a) the productivity level at open and underground coal mines wherein coal mining is profitable;

(b) the total number of such mines under Coal India Ltd. and Singareni Collieries Company Ltd.; and

(c) the production capacity thereof; separately?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Depending on the geo-mining conditions, method of mining and equipment deployed, the factors that contribute to the profitability of a mine are man and machine productivity and the selling price of the coal being mined. As such the profitability does not depend on any single factor like man productivity (output per manshift);

(b) and (c) Total number of profit making mines in Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) alongwith their annual production capacity are as under:

Company	No.of mines	(million tonnes)
		Annual Production Capacity
CIL	146	156.18
SCCL	9	10.32

[English]

### Tax Base of States

2819. SHRI SANAT MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether the finances of States are passing through severe difficulties at present;

(b) if so, whether the Govt. propose to amend Article 269 of the Constitution with a view to widen the tax base of the States;

(c) if so, the details thereof; and

(d) if not, the reason thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Some States have passed through periodic ways and means problems. At present, the ways and means position of all States is satisfactory.

(b) to (d) As per the recommendation of the Tenth Finance Commission for an alternative scheme, all taxes mentioned in Article 269 of the Constitution except Central Sales Taxes and Consignment Tax are to be put in a

divisible pool of Central taxes to be shared between the Union and the States. The advantage of pooling the Central Taxes would be that both the Centre and States would share in the buoyancy of aggregate revenues.

### Lift the Ban on Loan

2820. SHRI G.A. CHARAN REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has decided to lift the ban on bridge loans in the ensuing slack season credit policy;

(b) if so, whether the experts have pointed out that in the light of the fluid political situation and not emergence of a clear signal to the market, RBI should act independently and frame a policy that would lower the interest by a least one per cent;

(c) if so whether earlier RBI had banned bridge loans;

(d) if so, whether Government has now decided to finally lift this ban; and

(e) if so, by what time and if no, the main reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Reserve Bank of India (RBI) has reported that no decision has so far been taken to lift the ban on bridge loans.

(b) As regards framing of policy that would lower interest by at least one per cent, RBI has reported that its policy of reduction in Bank Rate to 11 per cent from April 16, 1997 and further to 10 per cent from June 26, 1997 has correspondingly brought about reduction in the prime lending rates of major banks, which are in the range of 13.5 to 15.0 per cent at present.

(c) to (e) RBI had banned with effect from April 20, 1995 grant of bridge loans by banks and financial institutions to all companies including finance companies. However, the matter was reviewed in October 1995 when it was decided on a limited scale to permit banks to consider sanctioning of bridge loan/interim finance against commitment made by a financial institution and/or another bank in cases where the lending institution faces temporary liquidity constraint and subject to certain conditions.

### Promotion of Fisheries

2821. KUMARI UMA BHARATI:

SHRI ANAND RATNA MAURYA:

SHRI SATYA DEO SINGH:

SHRI MAHESH KUMAR. M KANODIA:

Will the Minister of FINANCE be pleased to state:

(a) whether the banks propose to provide financial assistance to farmers for promotion of fisheries;

(b) If so, the details thereof;

(c) the time by which the banks are likely to provide above assistance; and

(d) the number of farmers likely to be benefited through this assistance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) Development of fisheries in all its aspects from fish catching to the stage of export, financing of equipment necessary for fishing, rehabilitation of tanks, fish breeding, etc. are considered as activities allied to agriculture. Therefore, short term as well as term loans granted by commercial banks for these activities are treated as direct finance to agriculture and hence form a part of priority sector advances. As per extant instructions issued by Reserve Bank of India (RBI), scheduled commercial banks both in the public and private sector are required to provide 18% of their net bank credit to the agriculture sector. Further, National Bank for Agriculture and Rural Development (NABARD) provides refinance assistance to commercial banks, regional rural banks and cooperative institutions for supporting marine, inland and brackish water fisheries schemes in the country. The total refinance assistance from NABARD, during the year 1996-97, amounted to Rs.40.59 crores involving approximately over 10,000 physical units.

#### **Sales Tax**

2822. SHRI T. GOVINDAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have taken any decision on the request of Kerala Government to give power to levy Sales Tax on Sugar, Textiles and Tobacco which was surrendered to the Centre has only under a contractual agreement so that State Government can raise revenue thrice the amount they currently receive from the centre, on this account; and

(b) If so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) No such proposal is under consideration of the Government at present.

#### **India Development Forum**

2823. SHRI T. GOPAL KRISHNA: Will the Minister of FINANCE be pleased to state:

(a) the external assistance India is likely to get as assured at the India Development Forum meeting held in Paris recently; and

(b) the purpose for which the assistance is proposed to be utilised?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The total pledges of Official Development Assistance made by multilateral and

bilateral donors in India Development Forum Meeting held on 23rd and 24th June, 1997 in Paris was US \$6.74 billion.

(b) At the India Development Forum Meeting the donor countries offer assistance in terms of overall pledges. The details of external assistance by foreign countries/institutions and terms and conditions are known only after the aid negotiations/agreements with donor countries/institutions are finalised.

#### **Withdrawal of Turban from Sikh Class IV Employees of LIC**

2824. SHRI SATYA PAL JAIN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of India is aware that Sikh Class IV employees of the LIC of India used to get "Turban" as a part of their uniform;

(b) whether the same i.e. Turban has now been withdrawn from the uniform of the Sikh Class IV employees of the LIC of India; and

(c) if so, the details thereof?

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

[Translation]

#### **Export of Onion**

2825. SHRI ANAND RATNA MAURYA:

SHRI BRIJ BHUSHAN TIWARI:

Will the Minister of COMMERCE be pleased to state:

(a) whether there has been a heavy decline in the export of onion from the country;

(b) if so, the reasons therefor;

(c) the names of the countries to which India is exporting onion;

(d) whether the Government have formulated any ambitious scheme to increase the export of onion;

(e) If so, the details thereof; and

(f) the foreign exchange earned from the export of vegetables during each of the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) No, Sir. The exports of onions which were valued at Rs. 90.88 crores in 1990-91 have risen to Rs. 271.16 crores in 1996-97.

(c) India has been exporting onions mainly to Bahrain, Brunei, Bangladesh, Japan, Kuwait, Mali, Malaysia, Maldives, Mauritius, Nepal, Netherlands, Oman, Pakistan,

Qatar, Reunion, Saudi Arabia, Seychelles, Singapore, Sri Lanka, United Arab Emirates, U.K., and U.S.A.

(d) and (e) Some of the steps taken to enhance production, productivity and exports of onions, inter-alia, include improvement in seeds of existing varieties, development of improved/new varieties, enhancing consistency in quality, establishment of modern storage facilities, developing improved packaging, conducting buyer-seller meets and sending trade delegations abroad.

(f) The foreign exchange earned from the export of vegetables during the last three years has been as follow:

(Value: Rs.lakhs)

Year	Exports
1994-95	24798.10
1995-96	29740.80
1996-97*	34285.80

\*Provisional figures (Source: DGCI&S, Calcutta)

[English]

#### Officers Charge-Sheeted Prosecuted of NBs

2826. SHRI MOHAN RAWALE:

SHRI RADHA MOHAN SINGH:

Will the Minister of FINANCE be pleased to state:

(a) the number of cases of frauds, embezzlement misappropriation of funds and other serious irregularities detected in the public sector and other banks in the country during the last three years alongwith bank-wise and year-wise details thereof;

(b) the number of cases referred to the C.B.I. and

the number of cases in which bank employees were found involved alongwith the number of persons charge-sheeted, suspended and prosecuted and the value of the total amount involved in the scam; and

(c) the scheme formulated by the Government to prevent increasing scams in banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Information readily available relating to bank-wise position of number of frauds detected in public sector banks during the years 1994, 1995 and 1996 is given in the attached statement.

(b) Information readily available relating to action taken against delinquent employees of public sector banks for frauds is given below:

	1994	1995	1996
(i) No. of employees convicted	50	33	46
(ii) No. of employees awarded major/minor/penalty	1248	1160	1207
(iii) No. of employees dismissed/discharged/removed	360	301	331

(c) The public sector banks, at the instance of Government and Reserve Bank of India (RBI) have taken several steps from time to time for 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.

#### Statement

*Statement showing bank-wise number of frauds detected in public sector banks during the years 1994, 1995 and 1996*

Sl. No.	Name of the Bank	No. of Frauds		
		1994	1995	1996
1	2	3	4	5
1.	State Bank of India	616	554	468
2.	State Bank of Bikaner & Jaipur	21	18	13
3.	State Bank of Hyderabad	23	40	36



1	2	3	4	5
4.	State Bank of Indore	26	09	16
5.	State Bank of Mysore	37	38	23
6.	State Bank of Patiala	30	33	19
7.	State Bank of Saurashtra	12	09	13
8.	State Bank of Travancore	25	22	29
9.	Allahabad Bank	39	48	59
10.	Andhra Bank	25	41	37
11.	Bank of Baroda	159	114	101
		*15	*10	
12.	Bank of India	215	156	158
		*11	*04	
13.	Bank of Maharashtra	50	31	34
14.	Canara Bank	217	167	213
15.	Central Bank of India	130	73	142
16.	Corporation Bank	38	23	23
17.	Dena Bank	22	14	27
18.	Indian Bank	60	37	34
19.	Indian Overseas Bank	71	43	49
20.	Oriental Bank of Commerce	14	12	30
21.	Punjab National Bank	118	56	66
22.	Punjab & Sind Bank	17	17	24
23.	Syndicate Bank	103	109	154
24.	Union Bank of India	39	59	79
25.	United Bank of India	43	40	33
26.	UCO Bank	58	74	39
27.	Vijaya Bank	32	39	28
Total		2266	1890	1954

\*\*Outside India

(Data Provisional)

**Strike by Jute Workers**

2827. SHRI CHITTA BASU: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware that the Jute Mill Workers in West Bengal went on a successful one day strike on June 3, 1997;

(b) If so, the demands of the striking workers; and

(c) the steps taken by the Government to meet their demands?

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

(a) and (b) The Government is aware that the Jute Mills in West Bengal were closed on 3rd June, 1997 except 2 Jute Mills under NJMC. The trade unions did not serve any notice for the strike which normally includes their demands. However, as reported by a section of the press

their demand was for full implementation of Jute packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 in all the Sectors.

(c) Compliance with Jute Packaging order in respect of Foodgrain & Sugar Sectors in full. The observance has been more or less satisfactory in Fertiliser Sector. However, Cement Sector has been flouting the orders. Jute commissioner has issued 25 show cause notices to Cement Units & 10 show cause notices to Fertiliser Units. Monthly report from all Cement and Fertiliser Units were sought for proper monitoring. Subsequent to issue of show cause notices Cement Units moved various High Courts in the country challenging the order and obtained stay orders in some cases.

[Translation]

#### Violation of Foreign Exchange Regulation Act

2828. SHRI RAM TAHAL CHAUDHARY:

SHRI PAWAN DIWAN:

Will the Minister of FINANCE be pleased to state:

(a) the details of the cases of violation of Foreign Exchange Regulation Act by the individuals, corporate bodies and other organisations during the last three years; and

(b) the position of the enquiry in each case?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Data are not maintained according to the category of the accused persons. However, the number of cases registered by the Enforcement Directorate for suspected violations of the provisions of Foreign Exchange Regulation Act (FERA) during the last three years are as under:

Years	Number of cases registered
1994	6061
1995	5633
1996	5486

(b) Some of these cases have been closed for lack of evidence. Others are at different stages of investigation/adjudication/appeals.

[English]

#### Export/Import Earnings

2829. SHRI SUDHIR GIRI: Will the Minister of FINANCE be pleased to state:

(a) the gap between the export earnings and import expenditure during the period from March to June, 1997;

(b) the reasons for import expenditure far exceeding as compared to export earnings; and

(c) the steps taken or proposed to be taken to bridge the gap?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) As per DGCI&S data, the gap between export earnings and import expenditure during the period March to June, 1997, was a deficit of US \$ 1456.61 million.

(b) While imports are related to the needs of the economy, exports depend, inter-alia, on various factors such as international market conditions, tariff and non-tariff barriers, domestic infrastructure, cost of export credit, policy framework, etc.

(c) The gap between export earnings and import expenditure is sought to be reduced through export promotion. Export promotion measures are continuously being taken by the Government through policy and promotional schemes. These include, inter-alia, simplification of Export Import Policy procedures, reduction in interest rates on export credit, undertaking country specific initiatives, focussing on quality and technology upgradation, involving State Governments in export promotion, holding interactive discussions with Export Promotion Councils, Commodity Boards and Trade and Industry with a view to evolve measures to boost exports. An Export Promotion Board has also been set up to resolve the issues and problems facing the exporters.

#### Export of Cotton Grey Fabrics

2830. SHRI SRIBALLAV PANIGRAHI: Will the Minister of TEXTILES be pleased to state:

(a) The unbleached cotton grey fabrics exported during each of the last three years;

(b) whether our exports are likely to increase due to dropping of a 'definitive' anti-dumping duty by European Union; and

(c) if so, to what extent?

THE MINISTER OF TEXTILES (SHRI R.L.JALAPPA): (a) The export of unbleached cotton grey fabrics during the last three years have been as under:

(In Rs. Crores)

Year	Exports
1994	1020.07
1995	1187.43
1996	1093.80

(b) and (c) The European Commission has re-initiated anti-dumping proceedings on import of unbleached cotton fabrics inter-alia from India. Even otherwise, there is only a limited scope for increasing exports of cotton grey fabrics to the European Union as there is a quantitative ceiling upto which this product can be exported from India into EU countries under the Indo-EU bilateral agreement.

**P.A.N.**

2831. SHRI SOMJIBHAI DAMOR: Will the Minister of FINANCE be pleased to state:

(a) the number of applications received by the Commissioner of Income Tax, Delhi, Mumbai and Chennai for allotment of Permanent Account Numbers (PAN) from the tax payers till 31st March, 1997 and month-wise from April upto 15th July, 1997 alongwith the number of PAN issued to income tax payers;

(b) whether any time frame has been fixed for issue of PAN;

(c) if so, the details thereof; and

(d) the reasons for delay in issuing the PAN to income tax payers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The number of applications received for allotment of PAN and the number of PAN allotted to income tax payers in Delhi, Mumbai and Chennai is as under:

S.No.	Period	Number of applications	Number of PAN
		received	allotted
1.	Till 31.3.97	1,807,305	1,163,738
2.	April, 1997	64,429	158,011
3.	May, 1997	47,960	58,266
4.	June, 1997	28,679	15,621
5.	1.7.97 to 15.7.97	21,959	16,576
Total		1,970,332	1,412,212

(b) and (c) Permanent Account Number in respect of all cases where complete and correct applications are received till 31.8.97, will be allotted by 31.12.97.

(d) The delay in issuing the PAN to income-tax payers is mainly due to incomplete information given in the application forms submitted by the income-tax payers. This necessitates the issue of deficiency letters. In all such cases, further processing can be done only after the deficiencies are removed by the tax payers.

**Textile Export**

2832. SHRI N. DENNIS: Will the Minister of FINANCE be pleased to state:

(a) whether textiles exports have registered an upward trend in Tamil Nadu during the current year;

(b) if so, the details thereof and the names of the States which have registered such an upward trend; and

(c) the incentives being given by the Government to the State Governments to boost export of textile from their States?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b) State-wise export figures are not maintained. However, the textile exports from India have registered a growth during the current year, i.e., April-June 1997.

(c) Incentives are not given by the Government to the State Government to boost export of textile products. However, in order to boost the exports of textiles, Govern-

ment have been taking a number of steps, which include encouraging exporters to participate in buyer-seller meets; fairs and exhibitions; enabling import of capital goods at concessional duty for export production; special arrangements for duty free import of raw materials from export production; ensuring increased availability of export credit etc.

**ICICI Banking Corporation Limited**

2833. SHRI AMAR PAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Credit and Investment Corporation of India (ICICI) proposes to offload 25 per cent of its holding in ICICI Banking Corporation Ltd;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Yes, Sir. Industrial Credit & Investment Corporation of India Ltd. (ICICI) has reported that it is divesting 4,12,50,200 shares at a price of Rs.35/- per share to the general public. The offer is open between August 5 to August 11, 1997. The offer is being made in compliance with the stipulation of Reserve Bank of India (RBI) in the licence issued to ICICI for opening the Bank.

[Translation]

**Export Promotion Industrial Park**

2834. SHRI THAWAR CHAND GEHLOT: Will the Minister of COMMERCE be pleased to state:

(a) the States which were given approval for setting up the Export Promotion Industrial Park by the Union Government during each of the last three years along with the location of these parks;

(b) the amount sanctioned for setting up these parks by the Union Government, State-wise;

(c) whether the approval and sanction has been accorded for setting up of the Export Promotion Industrial Park at Devas in Madhya Pradesh; and

(d) If so, the date on which the approval was

accorded in this regard and the progress made in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) Details are given in the Statement attached.

(c) and (d) On the basis of proposal received from Govt. of Madhya Pradesh an Export Promotion Industrial Park (EPIP) was sanctioned on 24.7.1995 for establishment at Siya, Dist. Dewas. However, the State Government decided to change the location to Pithampur, Dist. Dhar due to scarcity of water in the original location, which was approved by the Ministry of Commerce on 15.7.1997. As reported by the State Government in a recent review meeting, preliminary work in regard to site development of the Park has been initiated.

**Statement***Details of approved EPIPs, location-wise*

Name of State Government	Location of EPIP	Total Central Grant released to the States so far. (Rs. Crores)
<b>1994-95</b>		
1. Punjab	Dhandari Kalan, Distt. Ludhiana.	5.90
2. Maharashtra	Ambarnath, Distt. Thane.	6.75
3. Himachal Pradesh	Baddi, Distt. Solan.	3.00
4. Rajasthan	Sitapura, Distt. Jaipur	10.00
5. Karnataka	Hoodi, Distt. Bangalore.	10.00
6. Kerala	Kakkanad, Distt. Ernakulam.	5.89
7. Haryana	Kundli, Distt. Sonapat.	4.00
8. Uttar Pradesh	Surajpur, Distt. Gautambudh Nagar	10.00
9. Tamil Nadu	Gummidipoondi, Distt. Chengalpattu MGR	2.37
10. Andhra Pradesh	Pashamylaram, Distt. Medak	2.25
11. Gujarat	Savli, Distt. Baroda.	5.20
<b>1995-96</b>		
12. Bihar	Hajipur, Distt. Vaishali.	3.00
13. West Bengal	Durgapur, Distt. Burdwan	4.15
14. Meghalaya	Byrnihat, Distt. Ribhoi	4.50
15. Orissa	Bhubaneswar, Distt. Khurda.	4.50
16. Assam	Amingaon near Guwahati, Distt. Kamrup.	5.00
17. Madhya Pradesh	Siya, Distt. Dewas.*	4.50
18. Jammu & Kashmir	Samba, Distt. Jammu.	2.25

**1996-97**

-Nil-

\*Since shifted to Pithampur, Distt. Dhar.

*[English]***ITC**

2835. SHRI THOMAS HANSDA: Will the Minister of FINANCE be pleased to state:

(a) the total loss incurred by ITC and loss on account of large arrears of excise duty payable by ITC;

(b) the names of persons responsible for the loss and the action taken by the financial institutions in this regards; and

(c) the action taken also by the Government in regard thereto?

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

*[Translation]***Tannery Industry**

2836. SHRIMATI KAMAL RANI: Will the Minister of FINANCE be pleased to state:

(a) the number of Tannery industry units functioning in the country, state-wise;

(b) the number of workers engaged in the said industry;

(c) whether the facilities, such as Provident Fund, Insurance, Accommodation, Education, etc. are available to these workers;

(d) if not, the reasons therefor;

(e) whether the workers of such industry are affected by some disease;

(f) if so, the details thereof and the steps taken by the Government for taking proper health care of the workers;

(g) whether water treatment plant has been installed in each industry; and

(h) if not, the reasons therefor?

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

*[English]***Import of R.O.B.**

2837. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of FINANCE be pleased to refer to the replies given to USQ Nos. 4430 and 5043 on 20.12.96 and 7.5.97 respectively and state:

(a) whether the requisite information has since been collected;

(b) if so, the details thereof;

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

(d) the time by which the information is proposed to be laid on the Table of the House?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir. Some importers of Delhi have imported Rough Ophthalmic Blanks in container load.

(b) Two cases of import of ROB in Delhi and one case of Mumbai have been noticed, where under valuation was suspected. The case of M/s Enterprises Trading Co., New Delhi has been adjudicated after issue of Show Cause Notice and no under-valuation has been established by the adjudicating officer. In the case of M/s Indian optics Pvt. Ltd., New Delhi a Show Cause Notice has been issued on 13.05.97 and it is pending adjudication. The case of M/s. Ajay International, New Delhi, where the goods were imported through Mumbai port is under investigation.

(c) and (d) In view of reply to (b) above, does not arise.

**Bank Loan for Farmers**

2838. DR. G.R. SARODE:

DR. RAMVILAS VEDANTI:

SHRI SOHAN VEER SINGH:

Will the Minister of FINANCE be pleased to state:

(a) the amount of loan advanced to the farmers in the country by public and private sector banks for setting-up tubewells/tractors and cattle purchasing, State-wise;

(b) whether the Government have received any complaints about the irregularities in sanctioning loans to the farmers by these banks; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The data reporting system of Reserve Bank of India (RBI) does not generate information in the manner asked for. However, Union Territory/State-wise data relating to loans (outstandings) to farmers for the purpose of Minor Irrigation and for purchase of tractors and other agricultural implements by public sector and private sector banks for the year ending June, 1995 (latest available) is given in the attached Statement-I and II respectively.

(b) and (c) Complaints against banks regarding irregularities in the grant of financial assistance, as and when received, are taken up with concerned banks for remedial measures.

**Statement-I**

*Statement indicating Union Territory/State-wise details of amount of loans (outstanding) to farmers for Minor Irrigation and purchase of tractors and other agricultural implements etc. by public sector banks for the year ending June, 1995 (latest available)*

(Rs.in thousands)

Name of State/UT	Amount of loan (outstandings)	
	Minor Irrigation	Tractor & other agricultural impl.
1	2	3
1. Andaman & Nicobar Islands	11165	80
2. Andhra Pradesh	1805963	1625511
3. Arunachal Pradesh	405	2115
4. Assam	265315	127111
5. Bihar	1402618	3145068
6. Chandigarh	498094	65201
7. Dadra & Nagar Haveli	3992	4655
8. Daman & Diu	330	948
9. Goa	12394	9416
10. Gujarat	1506789	2576484
11. Haryana	268014	4594551
12. Himachal Pradesh	18003	144990
13. Jammu & Kashmir	1908	76713
14. Karnataka	1339170	2154750
15. Kerala	576706	506642
16. Lakshadweep	—	208
17. Madhya Pradesh	2760967	4882378
18. Maharashtra	3163407	2139880
19. Manipur	1276	24970
20. Meghalaya	358	4159
21. Mizoram	—	973
22. Nagaland	—	15969
23. National Capital Territory of Delhi	1845	20282
24. Orissa	336608	623509
25. Pondicherry	23229	208

1	2	3
26. Punjab	635846	7888255
27. Rajasthan	1297683	4034183
28. Sikkim	299	—
29. Tamil Nadu	1257701	3161766
30. Tripura	1593	15969
31. Uttar Pradesh	2765815	8071341
32. West Bengal	850395	555801

**Statement-II**

*Statement indicating Union Territory/State-wise details of amount of loans (outstanding) to farmers for Minor Irrigation and purchase of tractors and other agricultural implements etc. by public sector banks for the year ending June, 1995 (latest available)*

(Rs. in thousands)

Name of State/UT	Amount of loan (outstandings)	
	Minor Irrigation	Tractor & other agricultural impl.
1	2	3
1. Andaman & Nicobar Islands	—	—
2. Andhra Pradesh	11702	57496
3. Arunachal Pradesh	—	—
4. Assam	—	—
5. Bihar	—	—
6. Chandigarh	—	—
7. Dadra & Nagar Haveli	—	—
8. Daman & Diu	—	—
9. Goa	—	—
10. Gujarat	—	—
11. Haryana	383	1993
12. Himachal Pradesh	—	—
13. Jammu & Kashmir	2926	15563
14. Karnataka	98407	163236
15. Kerala	54076	90401
16. Lakshadweep	—	—
17. Madhya Pradesh	2361	8485
18. Maharashtra	150433	166487
19. Manipur	—	—

1	2	3
20. Meghalaya	—	—
21. Mizoram	—	—
22. Nagaland	—	—
23. National Capital Territory of Delhi	17	—
24. Orissa	—	—
25. Pondicherry	44	263
26. Punjab	—	178
27. Rajasthan	44964	142078
28. Sikkim	—	—
29. Tamil Nadu	42863	111693
30. Tripura	—	—
31. Uttar Pradesh	12755	37577
32. West Bengal	—	3

## [Translation]

**Loans Disbursed and Recovered by Banks**

2839. SHRIMATI SHEELA GAUTAM:

SHRIMATI BHAVNA BEN DEVRAJBHAI  
CHIKHALIA:

SHRIMATI PURNIMA VARMA:

Will the Minister of FINANCE be pleased to  
state:(a) the amount of loans disbursed by the Public  
Sector Banks during the last two years and upto July 1997;(b) the total amount of these loans recovered, so  
far;(c) the reasons for not recovering the remaining  
amount of loans;(d) whether the Government propose to formulate  
any scheme so that banks do not face any difficulty in  
recovering the loans; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF  
FINANCE (SHRI SATPAL MAHARAJ): (a) The outstanding  
credit of public sector banks as on the last Friday of March  
1996, March 1997 and June 20, 1997 is given below:

As on	Outstanding Credit (Rs.in lakh)
Last Friday of March, 1996	21206361
Last Friday of March, 1997	21910689
June 20, 1997 (Provisional)	21326420

(b) The recovery in Non-Performing Assets (NPAs)  
of public sector banks during the year 1995-96 was Rs.  
412062 lakh.(c) to (e) On the advice of RBI, banks have formulated  
investment policy, loan policy, loan recovery policy etc. They  
have also been advised to strengthen credit appraisal  
machinery and post supervising machinery as well. Banks  
have set up recovery cells at head quarters under a  
General Manager. Recoveries are monitored on monthly  
basis. Branch-wise recovery targets are fixed. Monitoring  
of recovery is done by the Board of Directors on a quarterly  
basis. Quality of assets is also reviewed by the Board of  
Directors periodically. Eight debt tribunals have been set  
up to expedite settlement of bank dues. RBI has also  
introduced off-site supervision alongwith on-site inspection  
of banks.



[English]

**Value Added Tax**

2840. SHRI RAMESHWAR PATIDAR:

SHRIMATI PURNIMA VARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government propose to replace the sales tax by a value added tax or levy;

(b) if so, the details thereof; and

(c) the action taken in this regard so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) As sales tax is a state subject, it is for the States to take a decision in this regard.

**Amount of Loan Credited as Bad Debt**

2841. SHRI RAM KRIPAL YADAV:

SHRI T. GOPAL KRISHNA:

SHRI MOHAMMAD ALI ASHRAF FATMI:

Will the Minister of FINANCE be pleased to state:

(a) the amount out of total loan sanctioned by nationalised banks during the last year which has been credited as bad debt;

(b) whether the Government have constituted a Debt Recovery Tribunal and Banking Supervisory Board to monitor the irregularities in banks and repayment of loan;

(c) if so, the date of constitution of these bodies;

(d) whether these bodies have started functioning; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) As reported by Reserve Bank of India (RBI), the latest figures of NPAs for the year 1995-96 of nationalised banks amounted to Rs.28366.04 crores which worked out to 19.52% of total advances of nationalised banks.

(b) to (e) In terms of the provisions of the Recovery of Debts due to Banks and Financial Institutions Act 1993, 8 Debt Recovery Tribunals have been established as per the details given in the attached statement.

No Banking Supervisory Board for monitoring the irregularities in the banks and repayment of loans has been set up, as such. However, a Board for Financial Supervision (BFS) was constituted on November 16, 1994 by the Central Board of Directors of RBI under RBI (BFS) regulations, 1994. The primary function of the BFS is to undertake the supervision of the financial sector comprising commercial banks, financial institutions, non-banking finance companies and para-banking organisations such as subsidiaries of banks.

**Statement***Details of Debt Recovery Tribunals*

Place	Dt. of Estab.	Jurisdiction
1. Ahmedabad	21.12.1994	Gujarat & Union Territories of Dadra Nagar Haveli, Daman & Diu
2. Bangalore	30.11.1994	Karnataka & Andhra Pradesh.
3. Calcutta	27.04.1994	West Bengal and Andaman & Nicobar Islands.
4. Delhi	05.07.1994	National Capital Territory of Delhi.
5. Jaipur	22.08.1994	Himachal Pradesh, Punjab, Haryana, Chandigarh and Rajasthan.
6. Chennai	01.11.1996	Tamil Nadu, Kerala and Union Territory of Pondicherry
7. Guwahati	07.01.1997	States of Assam, Meghalaya, Arunachal Pradesh and Nagaland.
8. Patna	24.01.1997	States of Bihar and Orissa.

An Appellate Tribunal has been established in Mumbai.

**Relaxation in Duties on Import of Hot-Rolled Coils***[Translation]*

2842. SHRIMATI BHAVNA BEN DEVRAJ BHAI  
CHIKHALIA:  
SHRI SATYAJITSINH DULIPSINH GAEKWAD:

Will the Minister of COMMERCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item appearing in the Asian Age dated July 11, 1997 captioned 'Essar Steel Plea on duties wins favours';

(b) if so, the factual position of the news-item;

(c) whether the Government have taken any decision to relax duties on hot-rolled coils; and

(d) if so, the details in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) The petition of M/s. Essar Steel Ltd. for imposition of anti-dumping duties on Hot Rolled Coils is under consideration of the Designated Authority in the Ministry of Commerce.

(c) and (d) As regards the customs duty on hot rolled coils, the same was reduced from 30% to 25% in the Budget 1997. There is no proposal at present to change this duty structure.

**Assistance of Asian Development Bank to  
Uttar Pradesh**

2843. SHRI BHAGWAN SHANKAR RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the amount allocated for various development of projects in Uttar Pradesh with the help of Asian Development Bank;

(b) the details of these projects;

(c) whether some work have also been undertaken with the help of Asian Development Bank in the State during 1996-97; and

(d) if so, the details thereof alongwith the amount spent thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) A loan of US\$ 31.318 million was approved by Asian Development Bank on October 30, 1990 for Uttar Pradesh under the Second Road Improvement Project. During 1996-97, an amount of Rs. 38.29 crores was spent under the project. The remaining work is likely to be completed by June 30, 1998.

Besides the above project, there are ADB assisted Central/Public Sector Projects, such as, Road Improvement Project, Second Railways Project, Unchahar Thermal Power Project in which U.P. is a beneficiary state.

**Lok Adalats**

2844. SHRI RATILAL KALIDAS VARMA:

SHRI JAI PRAKASH AGARWAL:

SHRI DATTA MEGHE:

Will the Minister of FINANCE be pleased to state:

(a) the details of the Lok Adalats held in various States during each of the last three years, till date, State-wise;

(b) the number of cases disposed of in these Lok Adalats, State-wise and year-wise;

(c) the nature of cases filed in these Adalats and the way in the which these have been disposed of;

(d) whether the Government are contemplating to make these Adalats more effective;

(e) if so, the detail thereof; and

(f) the number of Lok Adalats proposed to be held during the current financial year, State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b) The information is being collected from the State Legal Aid & Advice Boards/State Legal Services Authorities and would be laid on the Table of the House when received.

(c) Ordinarily, the civil, revenue and criminal disputes which are compoundable, MACT cases, cases involving mutation of lands, land pattas, forest lands, bonded labour, land acquisition cases, matrimonial and family disputes and bank loan cases are being filed in the Lok Adalats. These disputes are resolved through conciliatory and persuasive methods to the satisfaction of both the parties to the dispute.

(d) and (e) Lok Adalats have been provided a statutory base with the enforcement of the Legal Services Authorities Act, 1987, as amended, with effect from the 9th November, 1997.

Under section 21 of the said Act, every award of the Lok Adalat is a decree of a civil court or, as the case may be, an order of any other court, and every award made by the Lok Adalats is final and binding on all the parties to the dispute and no appeal lies to any court against the award.

(f) The Lok Adalats are being organised by the State Legal Aid & Advice Boards/State Legal Services Authorities in different parts of the country from time to time. The recent Law Ministers' Conference have decided to hold intensive Lok Adalats from 15th August, 1997 to 15th August, 1998.

[English]

### Value of Rupee

2845. SHRI HARIN PATHAK: Will the Minister of FINANCE be pleased to state:

(a) whether the parity of the Indian rupee vis-a-vis the dollar and other currencies of the world was vitiated recently;

(b) if so, whether the Government have analysed the whole spectrum in this regard;

(c) if so, the results thereof;

(d) whether the Government propose to review the role of the RBI in this connection;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The exchange rate of the rupee is market determined. Under this system, the Indian rupee vis-a-vis the US dollar has remained reasonably stable for the past one year or so. The movements in the exchange rates between the rupee and any currency other than the US dollar broadly reflect the currency movements in the international financial markets as well as macro demand and supply conditions in the domestic economy.

(b) and (c) The exchange rate development are monitored continuously both by the Governments and the Reserve Bank of India. Measures are taken, as and when necessary, to maintain orderly market conditions as well as to ensure that the exchange rate of the rupee remains consistent with economic fundamentals.

(d) to (f) The management of exchange rate by the RBI, over the years, has been very successful. The situation does not call for any review of the role of the RBI in this connection.

### RBI Circular on Dividend etc.

2846. SHRI TARIT BARAN TOPDAR:

DR. ASIM BALA:

DR. RAM CHANDRA DOME:

PROF. JITENDRA NATH DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether RBI issued a circular in 1994 to banks with regard to 'at par' facilities granted to companies for payment of dividend warrants and refund orders;

(b) if so, the number of banks have followed the said circular;

(c) the reasons for others who have not followed

the said circular;

(d) whether some SBI officials allowed the CRB Group to use the 'encashment at par' facility to defraud the bank of several crores in no time;

(e) whether these officials are covered by the Finance Minister's single directive prohibition policy; and

(f) if so, as this policy is effective only to protect corrupt high officials in the Government will be withdrawn soon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Reserve Bank of India (RBI) had not issued any circular in 1994 to banks with regard to 'at par' facilities. RBI had only issued a secret Caution Advice dated 7.6.94 addressed to Chief Executive Officers of all commercial banks on the basis of a fraud reported in 1994 by a bank, which was appointed as refund banker in connection with public issues made by two companies, had issued refund orders far in excess of the amount agreed to or deposited with the bank with the result that the account became heavily overdrawn. RBI's caution advice described the modus-operandi and cautioned banks against the companies mentioned therein. It did not contain the detailed instructions with regard to 'at par' facility.

(d) CRB Capital Markets Ltd. (CRBCML) had fraudulently withdrawn its account with State Bank of India's (SBI) Mumbai main branch for payment of interest warrants, deposit refunds are brokerage warrants by an amount of over Rs. 58 crores.

(e) and (f) SBI has initiated action at all levels and has suspended three officers. CBI has also registered a case in May, 1977. None of these three officers of SBI are covered by the single directive issued by Department of Personnel & Training.

### Training to Leather Artisans

2847. DR. ASIM BALA: Will the Minister of INDUSTRY be pleased to state:

(a) whether there is any proposal under consideration to provide training to the cobblers/shoe makers and leather artisans with latest know-how in the country,

(b) if so, the details thereof; and

(c) the number of leather training-cum-service centres set up under the United Nations Development Programme in the country?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Under the National Leather Development Programme (NLDP) being implemented by the Government of India in cooperation with the United Nations Development Programme (UNDP), Human Resource Development through training and technology upgradation of the footwear sector and artisans is an important objective. Various implementing agencies including the Central Leather Research Institute,

Footwear Design and Development Institute, Central Footwear Training Centres, The Khadi and Village Industries Commission, The Indian Institute of leather products and Designated Agencies identified in the State Governments have participated in the NLDP for Human Resource Development. In the year 1997-98, the thrust of the programme is entirely on improvement of the artisan sector and providing linkages between the un-organised and the organised sectors.

[Translation]

#### Export of Menthol Oil

2848. SHRI RAJENDRA AGNIHOTRI: Will the Minister of COMMERCE be pleased to state:

- the quantity of Menthol and its oil exported during each of the last three years; country-wise;
- the foreign exchange earned therefrom; and
- the steps taken by the Government to boost export of Menthol and its oil during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) The quantity of Menthol exported during the last three years and the foreign exchange earned therefrom is as under:

	Menthol	
	Quantity (in tons)	Value (Rs.in Crores)
1994-95	710.25	25.06
1995-96	1109.83	64.79
Apr.'96-Nov.'96	1332.23	118.86

(Source: DGCI&S)

Menthol Oil, not being separately classified as such in the ITC (HS) Classifications of Export and Import items on the basis of which DGCI&S maintains export data, quantity of menthol oil exported is not available. However export data for Japanese Mint Oil (Ex-Mentha Arvensis) Peppermint Oil (Ex-Mentha Piperita) Dementholised Japanese Mint Oil (Ex-Mentha-Arvensis) Spearmint Oil (Ex-mentha spicata) Watermint Oil (Ex-Mentha aquatic) Horsemint Oil (Ex-Mentha sylvestries) and Bergamont Oil (Ex-Mentha Citrate) and foreign exchange earned therefrom is as below:

	Quantity (in tons)	Value (Rs.in Crores)
1994-95	1338.42	37.69
1995-96	1256.18	44.82
Apr.'96-Nov.'96	1556.56	73.13

DGCI&S publication "Statistics of the Foreign Trade of India by Countries" available in the Parliament Library, gives country-wise detail of these exports.

(c) Continuing interaction with trade and industry to identify and solve problems related to exports, and Market Development Assistance to the exporting community through the respective Export Promotion Council for participation in specialised trade fairs, exhibition and buyer-seller meet and other promotional activities are part of ongoing efforts to boost exports.

#### SC/ST Employees

2849. SHRI N.J. RATHWA: Will the Minister of FINANCE be pleased to state:

- the post-wise total number of appointments made in departments/undertakings under his ministry during the last three years as on date;
- the post-wise number of candidates of SCs/STs out of them;
- whether some posts reserved for Scheduled Castes/Tribes are lying vacant in departments/undertakings under his ministry at present;
- if so, the post-wise details thereof;
- the steps taken or proposed to be taken by the Government for filling up the reserved posts; and
- the time by which the reserved vacant posts are likely to be filled up and the reasons for delay in this matter?

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

[English]

#### Foreign Lawyers and Consultant Firms

2850. SHRI BALAI CHANDRA RAY:

SHRI HARADHAN ROY:

SHRI BASU DEV ACHARIA:

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

- whether the Government propose to amend the law to enable foreign lawyers and consultant firms to practice in India;
- if so, the details thereof and 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.

**Export of Diamond**

2851. SHRI B.L. SHANKAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the exports of diamond has fallen further during the first quarter of 1997-98;

(b) if so, the details of the loss of foreign exchange suffered as a result thereof;

(c) the reasons for the fall in the diamond export; and

(d) the details of the measures proposed by the Government to boost the diamond export during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) No, Sir. As per available data, the deceleration in exports of diamond in April-June, 1997 quarter has been lower than the previous quarter.

(b) The details of the foreign exchange earned during April-June, 1997 is as follows:

(Value in US \$ million)

	1997	1996
Export of diamonds	870.51	931.16

Source: GJEPC

(c) The fall in exports of diamond was primarily due to:

(i) Recession in demand in the major markets of cut and polished diamond and studded jewellery including Japan, USA and Europe;

(ii) Excessive inventory built-up resulting in low profitability; and

(iii) Comparatively high rate of interest on post-shipment credit eroding the competitiveness of Indian goods.

(d) The Government has recently taken number of measures to boost diamond export from the country which include:

(i) Reduction in interest rates from 26th June, 1997 on post-shipment rupee export credit;

(ii) 100% replenishment on export of rough diamonds;

(iii) third party exports have been allowed in order to encourage the small manufacturers and exporters; and

(iv) the bulk licence holders are permitted to import rough diamonds from any source.

[Translation]

**Higher Denomination Currency Notes**

2852. SHRI KACHARU BHAU RAUT:

SHRI SURESH KALMADI:

SHRI N.K. PREMCHANDRAN:

SHRI PANKAJ CHOWDHARY:

SHRIMATI KETAKI DEVI SINGH:

SHRI SURESH PRABHU:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to issue currency notes of higher denominations;

(b) if so, the details of such notes; and

(c) the time by which the same are likely to be issued?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Government has not taken a decision on introduction of higher denomination of notes.

**Trade Agreements with China**

2853. SHRI NAND KUMAR SAI: Will the Minister of COMMERCE be pleased to state:

(a) whether any agreement has been reached between China and India for the promotion of trade between the two countries;

(b) if so, the details thereof;

(c) the value of trade being carried out between China and India at present; and

(d) the extent to which the bilateral trade is likely to be increased?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) A Trade Agreement was signed between India and the People's Republic of China on 15th August 1984. Its salient features are mutual Most-Favoured-Nation Treatment, promotion and diversification of bilateral trade, trade transactions to be in freely convertible currency, agreement to facilitate trade in identified items and regular bilateral consultations.

(c) and (d) The total exports to and imports from the People's Republic of China since 1993-94, as per statistics published by DGCI&S are as given below:

(Rs. in lakhs)

Year	Exports	Imports
1993-94	85718.56	97235.44
1994-95	79971.57	236802.24
1995-96	109743.97	273283.82
1996-97	210648.80	264958.81

The above statistics indicate a steady growth in the volume of bilateral trade. During the visit of the Chinese President Jiang Zemin to India in 1996, India and China agreed to fix a target of US \$ 10 billion of trade volume to be achieved by the year 2000.

#### ANZ's View on Investment in India

2854. SHRI DADA BABU RAO PRANJPE: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the prominent investment Banking institution of the World, ANZ Investment Bank has stated that American Investors are willing to make long term investment in Indian Public Regional Institutions and financial institutions; and

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

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

[English]

#### Indian Aid to U.S. Coal Industry

2855. SHRI SONTOSH MOHAN DEV:

DR. T. SUBBARAMI REDDY:

Will the Minister of COAL be pleased to state:

(a) whether the Government have received any proposal from the America's coal industry for resurrection of their mines with Indian help;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

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

(b) and (c) Does not arise.

[Translation]

#### Disposal of Mutilated Notes

2856. SHRI JAGAT VIR SINGH DRONA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has formulated

any scheme for export of wad of notes and the Government has imported machines worth nine crores of rupees for it;

(b) whether 4500 tonnes of mutilated notes are burnt each year due to lack of better method for the disposal of such notes in India and now wad of notes would be made by processing these mutilated notes and the imported machine would not only tear out 300 kilogram notes in small pieces but would also make wads from them which would be utilised commercially; and

(c) if so, the present position of the said scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The Reserve Bank of India has installed modern currency disintegrator and briquetting systems at its offices at New Delhi, Calcutta and Mumbai for destruction of soiled/defaced notes at a cost of Rs. 15.38 crores. The briquettes will not be exported.

(b) and (c) Nearly 5 billion unfit bank notes are withdrawn from circulation every year. This amounts to 4500 tonnes of solid wastes generated annually in the cash processing centres of the Reserve Bank. The Bank has installed modern currency disintegrator and briquetting systems at its offices at New Delhi, Calcutta and Mumbai for destruction of unfit notes. At other RBI Centres, destruction of unfit notes is by burning. The imported systems shred 300 kgs. of bank notes per hour and compress the shreds into briquettes. Efforts are being made to dispose the briquettes in a manner friendly to the environment.

[English]

#### Bharat Yantra Nigam Ltd.

2857. SHRI BASU DEB ACHARIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have accorded approval to the capital restructuring of Bridge and Roof Company a subsidiary of Bharat Yantra Nigam Ltd.;

(b) if so, the details thereof;

(c) whether the proposal to delink Bridge and Roof Company from the holding company is under consideration of the Government; and

(d) if so, the details thereof?

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

(b) Does not arise.

(c) and (d) The issue of delinking of Bridge and Roof Company (India) Ltd. (B&R) from its holding company Bharat Yantra Nigam Limited cropped up during consideration of the proposal for financial restructuring of B&R. However, no final decision has been taken so far by the Government

**ADB Assistance to Gujarat**

2858. SHRI SATYAJITSINH DULIPSINH GAIKWAD:

SHRI MADHAVRAO SCINDIA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Asian Development Bank has granted a \$ 820 million loan for various projects in Gujarat;

(b) if so, the details of the projects to be financed therewith; and

(c) the terms and conditions of the agreement?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Asian Development Bank has approved a loan of US\$ 250 million on 18th November, 1996 for the Gujarat Public Sector Resource Management Programme. The programme will support Government of Gujarat in augmenting domestic resource mobilisation, improving the allocation and efficiency of the public sector and reducing Government of Gujarat's role in commercial activities while promoting market-oriented policies to enhance private sector participation in the infrastructure. The loan has the standard ADB ordinary Capital Resources terms and conditions with a repayment period of 15 years including a grace period of three years. The loan is scheduled to close in December, 1998.

**Fraud in Canara Bank**

2859. SHRI RAMSAGAR: Will the Minister of FINANCE be pleased to state:

(a) whether CBI has unearthed a well-knit fraud of over a crore of rupees in Canara Bank branches in Bihar, West Bengal, Gujarat and Maharashtra and have arrested some people in that behalf;

(b) if so, the details thereof;

(c) the details of the bank officials found involved therein in any manner; and

(d) the number of private and public sector bank officials against whom action has been taken or proposed to be taken under the law for dereliction of duty, connivance, negligence etc. during the last three years.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Central Bureau of Investigation (CBI) have reported that they have registered two cases in September, 1996 and December, 1996 pertaining to frauds in Bhore branch and Daraundha branch of Canara Bank in Bihar. CBI have conducted raids and also arrested six persons including three employees of Canara Bank. According to information furnished by Canara Bank, some miscreants in connivance with employees of the bank had stolen 48 demand draft leaves from the Daraundha branch and Bhore branch of the bank.

Subsequently, 20 demand drafts were fraudulently encashed by the miscreants at four branches of the bank involving an amount of Rs.100 lakhs. The miscreants also attempted to encash two demand drafts amounting to Rs. 10 lakhs from the bank's account section, Mumbai. However, the fraud was averted. The bank has placed three employees under suspension. An amount of Rs. 22.30 lakhs has been recovered by the bank.

(d) The information readily available relating to action taken against delinquent employees of public sector banks for their involvement in frauds during the years 1994, 1995 and 1996 is given below:

	1994	1995	1996
(i) No. of employees convicted	50	33	46
(ii) No. of employees awarded major/minor penalty	1248	1160	1207
(iii) No. of employees dismissed/discharged/removed	360	301	331

**Credit Growth**

2860. SHRI RAMESH CHENNITHALA: Will the Minister of FINANCE be pleased to state:

(a) whether the credit growth is slowing down;

(b) if so, the reasons therefor;

(c) the details of credit growth as against deposit growth in 1996-97 as well as since March, 1997, and

(d) the remedial measure taken or proposed to be taken to improve the credit growth?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) In the last financial year 1996-97, aggregate deposits of scheduled commercial banks increased by Rs. 71,780 crore (16.5 per cent), while total bank credit recorded a growth of Rs. 24,386 crore (9.6 per cent). In the current financial year upto July 18, 1997 aggregate deposits have increased by Rs. 15,688 crore (3.1 per cent) as against an expansion of Rs. 12,087 crore (2.8 per cent) in the last financial year upto July 19, 1996. Total bank credit of scheduled commercial banks has recorded a growth of Rs. 516 crore (0.2 per cent) in the current financial year upto July 18, 1997, as against a contraction of Rs.2,739 crore (-1.1 per cent) in the corresponding period of the last financial year. Bank investments in shares, debentures/bonds and commercial papers, which also augment the resources for production and investment, have been of the order of Rs.2,650 crore in the current financial year upto June 20, 1997, much

higher than only Rs.1,063 crore in the corresponding period of 1996-97. In 1996-97 this investment was to the tune of Rs. 8,075 crore.

The somewhat slow growth of bank credit in the current financial year so far may be attributed, inter-alia, to sluggish trends in the primary capital market, slow pick-up in industrial growth and systemic adjustment because of introduction of prudential norms.

(d) Several measures have been initiated by the Reserve Bank of India to promote growth of bank credit to the commercial sector. The cash reserve ratio was reduced by 4 percentage points to 10 per cent in the last financial year. In its credit policy statement for the first half of the current financial year, the Reserve Bank of India has asked the banks to endeavour to bring down interest rates by reducing the spread and to ensure an adequate flow of bank credit to support the growth of the real sector. The ceiling interest rate on domestic term deposits of 30 days and upto and one year has been reduced by 2 percentage points to 8 per cent. The ceiling interest rate on Non-Resident (External) Rupee Accounts of six months and upto one year has also been reduced by 4 percentage points to 8 per cent. The ceiling rate on the post shipment export credit upto 90 days and the interest rate on such credit beyond 90 days and upto six months have also been reduced by one percentage point each. Banks have been given full discretion to assess the working capital requirements of their borrowers within the existing prudential guidelines and exposure norms. The obligation to form a consortium for working capital facility of Rs. 50 crore and above has been dispensed with. The prime lending rates of most banks have been actually reduced by one to one and a half percentage points, since April 1997.

#### **Business in Insurance Sector by Foreign Companies**

2861. SHRI K. PARASURAMAN: Will the Minister of FINANCE be pleased to state:

(a) whether any decision has been taken to do insurance business by foreign companies in India;

(b) if so, the details thereof;

(c) whether an agreement has already been signed by some foreign business firms in Chennai in collaboration with Indian business firms; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Under the existing laws, the life Insurance and General Insurance business are exclusive privileges of life Insurance Corporation of India (LIC); and general Insurance Corporation of India (GIC) and its four subsidiaries respectively.

(c) and (d) Agreements signed between private parties do not require prior Government approval. Government do not have any official information regarding such agreements.

[Translation]

#### **Deposits Made by Bank Branches in Cities, Town, and Rural Areas**

2862. PROF. PREM SINGH CHANDUMAJRA:

SHRI NAWAL KISHORE RAI:

Will the Minister of FINANCE be pleased to state:

(a) whether the nationalised banks are operating their branches in various parts of the country;

(b) if so, the number of bank branches of the nationalised banks are operating in metropolitan cities, cities, towns and rural areas, separately as on 31 March 1997;

(c) whether the branches at these banks are providing loans and depositing money under the same guidelines;

(d) if so, the percentage of the deposit out of the total deposits obtained in the towns, cities and metro cities, till March, 1997; and

(e) the percentage of the loan out of the total loans given by these branches till March 1997?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) Population group-wise number of branches of scheduled commercial banks as furnished by Reserve Bank of India as at the end of March, 1997 is given below:

Population Group	Number of Branches
Rural	33024
Semi-Urban	13652
Urban	9194
Metropolitan	7509
Total	63379

(c) The same guidelines apply in respect of all bank branches for providing loans and for accepting deposits.

(d) and (e) Population group-wise distribution of deposits and credit of scheduled commercial banks as on the last Friday of March, 1997 and the percentage share thereof are given below:



(Amount in Rs. lakh)

Population Group	Deposits		Credit	
	Amount	Percentage share to total	Amount	Percentage share to total
Rural	7251110	14.73	3237155	11.47
Semi-Urban	9665784	19.63	3747817	13.28
Urban	11029230	22.41	5129932	18.17
Metropolitan	21276619	43.23	16108756	57.08
Total	49222743	100.00	28223660	100.00

*[English]***Export of Poor Quality Basmati**

2863. SHRI G. VENKAT SWAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have received any complaint from the European Union about the poor quality of basmati parboiled exports;

(b) if so, the details thereof;

(c) whether EU import norms are increasingly being dictated by US Lobbies intent on keeping Indian Exporters out of competition from their EU markets;

(d) if so, whether the Government have taken up the matter with the European Union; and

(e) if so, the results thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) The European Commission has requested the Government of India to ensure that the quality of Indian basmati rice be maintained as some poor quality parboiled rice has been entering the European Union market.

(c) to (e) The European Commission has introduced a cumulative recovery system, for a trial period of 1 year i.e. from 01.07.1997, for determining certain import duties on rice as a consequence of an agreement reached with the Government of United States of America in the form of exchange of letters on cereals and rice. India has made its position known to the European Union through the diplomatic channels.

**Increase in Trade and Investment Flow**

2864. DR. M. JAGANNATH: Will the Minister of COMMERCE be pleased to state:

(a) the over all Government's strategy to increase trade and investment flow into the country; and

(b) the steps taken to build linkages with major trade

blocks in the world?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) A number of measures have been taken by the Government to create a free environment for trade. The new Exim Policy for 1997-2002 has considerably simplified the policy and procedures; imports are being gradually liberalised to facilitate availability of raw materials and inputs to the export sector besides widening and modernising the indigenous production base; country specific initiatives have been undertaken to promote trade; Export Promotion Industrial Park Scheme has been implemented to support the State Governments in their export promotion effort; an India Brand Equity Fund has been created to create a good image for Indian products abroad; Interactive discussions with Export Promotion Councils, Commodity Boards and trade and industry are held to boost exports; interest rate on export credit has been reduced and an empowered Export Promotion Board to resolve the problems facing exporters expeditiously has been set up.

In order to raise investment flows the investment limits by individual FII/sub accounts for FIIs in the total issued capital of individual companies has been raised from 5% to 10% subject however to investment by all FIIs/NRIs/OCB in the aggregate being limited to 24% of the issued capital of the company. The limit of 24% has also been raised to 30% subject to (a) approval by the Board of Directors of the Company and (b) a Special Resolution passed by the General body of the Company to the enhanced limit of 30%. FIIs have been broad based through inclusion to university funds, endowment funds, charitable trusts/societies with a track record.

FIIs have also been permitted to invest in unlisted companies with a view to attracting such investments in infrastructure sector.

(b) Among others, India has played a constructive role in the Indian Ocean Rim initiative which seeks to promote closer economic cooperation in the Indian Ocean region. Operationalisation of SAPTA (South Asian Preferential Trade Agreement) is another step in this direction and it

is now proposed to achieve a South Asian Free Trade Agreement (SAFTA) by the year 2001. The Bangkok Agreement to which India is a signatory, seeks to promote economic development through a continuous process of trade expansion among the developing member countries of ESCAP. BIST-EC (Bangladesh, India, Sri Lanka, Thailand-Economic Cooperation) is a new initiative launched in June 1997 which aims at close economic cooperation between these countries by mutual trade concessions and joint projects in this region.

#### FOREX Reserve

2865. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

- (a) whether the position of foreign exchange (FOREX) reserve at present is satisfactory;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government for increasing the FOREX reserve?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a to (c) India's foreign exchange reserves including gold and SDRs, amounted to US \$ 29.69 billion on July 25, 1997. The level of foreign exchange reserves, which is equivalent to over 8 months of imports, is considered satisfactory. The on-going wide ranging programme of macro-economic and structural reforms is expected to produce results that will sustain the foreign exchange reserves at a comfortable level.

#### Non-Payment of Loans to SCs

2866. DR. BALIRAM: Will the Minister of FINANCE be pleased to state:

- (a) whether complaints have been received from Scheduled Castes people against Simbhaoli Branch of State Bank of India, District Ghaziabad (U.P.) regarding non-payment of loan granted by Government under various welfare schemes for these people;
- (b) if so, the details thereof;
- (c) whether the loanees have received notices from the concerned departments for repayment of the loan which

was actually not paid to them by the bank;

- (d) if so, the reasons therefor; and
- (e) the steps taken or proposed to be taken by the Government in this regard?

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

#### Transport Subsidy

2867. SHRI KESHAB MAHANTA:

SHRI SOMJIBHAI DAMOR:

Will the Minister of INDUSTRY be pleased to state:

- (a) the details of Transport subsidy claimed and released to North-Eastern States during each of the last three years, as on June 30, 1997, State-wise, Industry-wise;
- (b) the reasons for delay in releasing the subsidy; and
- (c) the steps being taken by the Government to remedy the situation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Under the Transport Subsidy Scheme, the subsidy claims are first scrutinised by the State Level Committee and disbursement made to eligible units by the State Governments. Reimbursement thereof is claimed subsequently by the State Governments from the Central Government. The details of transport subsidy released to the State in the North-Eastern region during the last three years and during 1997-98 (upto 30th June, 1997) are given in the attached statement. The industries covered are plywood industry, flour milling, steel fabrication, oil and rice milling etc.

(b) and (c) Subsidy in respect of claims which are found to be in order is released to the State Governments immediately. However, wherever certain deficiencies are noticed, State Governments are requested to rectify the same and the subsidy in such cases is released soon after receipt of requisite details/clarifications.

#### Statement

*Statement showing year-wise releases made by the Central Government under the Transport Subsidy Scheme.*

(Rupees in lakhs)

Name of the State	1994-95	1995-96	1996-97	1997-98 upto 30.06.1997
1	2	3	4	5
Assam	2217.90	3861.10	2061.89	1667.50
Manipur	128.70	—	—	—

1	2	3	4	5
Tripura	132.99	2.60	28.50	—
Arunachal Pradesh	47.66	—	267.42	—
Meghalaya	250.10	195.88	190.66	—
Nagaland	67.80	—	—	198.70
Mizoram	272.32	405.30	—	—
Total	3117.47	4464.88	2548.47	1866.20

[Translation]

**U.P. Handicraft and Handloom  
Development Corporation**

2868. SHRI D.P. YADAV: Will the Minister of TEXTILES be pleased to state:

(a) whether Uttar Pradesh Handicrafts and Handloom Development Corporation is running in loss due to non-availability of financial assistance from the Government;

(b) if so, the funds provided/likely to be provided by the Government during 1997-98; and

(c) the achievements made by the Corporation during each of the last two years?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):  
(a) There is no corporation in the name of Uttar Pradesh Handicrafts and Handloom Development Corporation.

(b) and (c) Do not arise.

**Export of Textile, Tea and Sugar**

2869. SHRI HARIVANSH SAHAI: Will the Minister of COMMERCE be pleased to state:

(a) the names of the countries to which textile, tea, sugar exported and the foreign exchange earned by the Government from this export;

(b) whether Government of India has to import certain goods in lieu of export of these items; and

(c) if so, the years for which agreement for export and import of these items has been made, country-wise?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) A Statement is enclosed.

(b) and (c) No, Sir.

**Statement**

*Export of Textile, Tea, and Sugar*

Commodity Name	*Value of exports during 1996-97 (US \$ Million)	Major Importers
Tea	278.74	Russia, CIS Countries, U.K., Germany, Poland, UAE, Iran, Egypt, Japan, Saudi Arabia, etc.
Sugar & Mollasses	295.75	Pakistan, Indonesia, Sri Lanka, Russia, EU & USA, etc.
Textile	7990.43	E.U., USA, Bangladesh, Japan, Hong Kong, South Korea, UAE, Canada, Switzerland, etc.

\*Source: DGCI&S data.

[English]

**Minimum Alternate Tax**

2870. SHRI PRATAP SINGH SAINI: Will the Minister of FINANCE be pleased to state:

(a) whether a holding company/investment company be liable to pay Minimum Alternate Tax on dividends

received by it from its subsidiaries on which dividends the subsidiary companies have already paid tax as per the recent amendment to the Income Tax Act; and

(b) whether the Government propose to introduce suitable legislation to ensure that holding companies do not pay tax twice on dividend once in the hands of the declaring company and the other as Minimum Alternate Tax in the

hands of the holding company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Under section 115JA of the Income-tax Act, the provisions of Minimum Alternate Tax is not attracted in respect of income referred to in Chapter III of the Income-tax Act, which now includes income by way of dividends.

(b) There is no need for any amendment in view of the position of law as stated at (a) above.

#### **Show Cause Notices to Banks Employees of Delhi**

2871. SHRI JAI PRAKASH (HARDOL):

SHRI JAI PRAKASH AGGARWAL:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news item captioned "CBI Ne karoron Ki jaalsaaaji pakri, 4 giraftar" appearing in the Current News dated 5.3.1997;

(b) if so, the details thereof;

(c) whether the Central Vigilance Commission have detected certain cases of corruption and irregularities in the banking system in the National Capital Territory of Delhi during the last three years;

(d) if so, the details thereof; and

(e) the number of cases registered so far in this regard and the steps taken by the Government to check the cases of corruption in the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) Central Bureau of Investigation (CBI) have reported that they have registered two cases in September, 1996 and December, 1996 pertaining to frauds in Bhore branch and Daraundha branch of Canara Bank in Bihar. CBI have conducted raids and also arrested six persons including three employees of Canara Bank. According to information furnished by Canara Bank, some miscreants in connivance with employees of the bank had stolen 48 demand draft leaves from the Daraundha branch and Bhore branch of the bank. Subsequently, 20 demand drafts were fraudulently encashed by the miscreants at four branches of the bank involving an amount of Rs. 100 lakhs. The miscreants also attempted to encash two demand drafts amounting of Rs. 10 lakhs from the bank's account section, Mumbai. However, the fraud was averted. The bank has placed three employees under suspension. An amount of Rs. 22.30 lakhs has been recovered by the bank.

(c) to (e) The Central Vigilance Commission (CVC) advises the appropriate disciplinary authority regarding

suitable action to be taken against a public servant concerned where it appears after a preliminary enquiry that a public servant had acted or refrained from acting, for an improper or corrupt purpose. It can also have an inquiry made into any transaction in which a public servant is suspected or alleged to have acted for an improper purpose or in a corrupt manner or into any complaint that a public servant had exercised or refrained from exercising his powers with an improper or corrupt motive or into any complaint of misconduct or lack of integrity or of any malpractice or misdemeanour on the part of a public servant. All public sector banks have vigilance machinery which is headed by a Chief Vigilance Officer appointed by the Government in consultation with the Central Vigilance Commission. The vigilance machinery is responsible for taking preventive and detective steps so as to prevent frauds and corrupt practices by the bank officials.

As per the information readily available number of frauds detected in public sector banks during 1994, 1995 and 1996 are 2266, 1890 and 1954 respectively.

The banks have already laid down various systems, rules, norms and procedures for sanction and disbursement of loans and advances which are also supplemented through various instructions, besides prescribing distinct and definite guidelines on lending powers and use of discretionary authority at various levels. There is also a system of regular and short inspection/audit of branches/offices of the banks with a view to exercising effective supervision and control over the use of discretionary power of lending.

#### **Price of Parazynamide**

2872. SHRI AJAY CHAKRABORTY: Will the Minister of FINANCE be pleased to state:

(a) the landed price per Kg. of imported parazy-namide during last three months at Bombay Port;

(b) the landed price per Kg. of parazy-namide on import of 2-Cynopyrizine during last three months;

(c) whether CVD has been imposed on 2-Cynopyrazine and not on parazy-namide whereby making imports of final product parazy-namide lucrative and killing the indigenous industry; and

(d) the reasons therefor and the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The landed price of parazy-namide imported during last three months at Bombay Port has been in the range of Rs. 2200/- per kg.

(b) The landed price of 2-Cynopyrazine imported during last three months has been in the range of Rs.2008/- per Kg.

(c) and (d) CVD is leviable on 2-Cynopyrazine, but is

exempted on Parazynamide, in terms of the Central Excise Tariff. Parazynamide is exempt from Central Excise duty, and therefore from CVD, because it is used in Anti-TB drugs for the National Health Programme. The issue regarding restoration of exemption from payment of Central Excise duty on 2-Cynopyrazine, is under examination in this Ministry, in consultation with Deptt. of Chemicals and Petrochemicals.

### **Recovery of Loan From Big Industrial Houses**

2873. SHRI SAMIK LAHIRI: Will the Minister of FINANCE be pleased to state:

(a) whether there is transaction of Rs. 4.3 lac crores in the 62 thousand branches of Indian Banks;

(b) if so, whether 72% of deposits come from the middle class families;

(c) if so, the details thereof;

(d) whether 80% of the deposits are utilised by the big industrial Houses and they do not repay the loan regularly;

(e) if so, the details thereof alongwith the total amount alongwith interest thereon outstanding against these large industrial houses; and

(f) the steps taken/proposed to be taken by the Government to recover the loans and interest from them.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) The Reserve Bank of India (RBI) has reported that its data reporting system does not generate such data/information.

(f) The following steps have been taken by RBI with a view to recover the overdues and reduce non-performing assets (NPAs) in public sector banks:

1. RBI has advised banks to have documents of loan recovery policy prepared and duly vetted by Board of Directors. The policy prescribes the manner of recovery of dues, targetted level of reduction, norms for permitted sacrifices/waiver etc.

2. Reduction of NPAs through compromise/write-offs under negotiated settlements to ensure maximum recovery at minimum expense.

3. Setting up of Recovery Cells at Head Quarter and fixing of branchwise targets for reduction in NPAs. Performance of branches in recovery to be monitored by Head Office on monthly basis and Board of Directors kept informed of the progress on quarterly basis. RBI also monitors reduction of NPAs.

4. Setting up of Debt Recovery Tribunals at Calcutta, Delhi, Bangalore, Ahmedabad, Jaipur, Chennai, Guwahati and Patna and an Appellate Tribunal in Mumbai.

5. Compilation and circulation of list of defaulters/suit filed accounts with outstandings aggregating Rs. One crore and above.

6. Review of top 300 NPAs of public sector banks with special reference to the system prevailing in the banks to fix staff accountability.

### **Excise Duty on Aerated Waters**

2874. SHRI PRATAP SINGH SAINI: Will the Minister of FINANCE be pleased to state:

(a) the rate of excise duty levied on aerated waters in India on different packages;

(b) the rates of excise duty levied on aerated waters in similar packages in Sri Lanka, Bangladesh, Singapore, Thailand and Philippines; and

(c) the total component of excise duty/sales tax and Octroi/Entry Tax on the ultimate selling price of aerated waters in the States of Haryana, Maharashtra and West Bengal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Aerated waters in all types of packages attract excise duty at the rate of 40% ad valorem;

(b) The rates of excise duty applicable to aerated waters in Sri Lanka, Bangladesh, Singapore, Thailand and Philippines are not readily available;

(c) Rates of sales tax vary from State to State and in respect of entry tax and octroi, it varies from place to place even within the State. Ultimate selling price of aerated water is also not uniform and varies. Therefore, it may not be possible to indicate the total component of excise duty, sales tax, octroi and entry tax in the ultimate selling price.

### **Per Capita Spending on Social Services**

2875. SHRI SAMIK LAHIRI: Will the Minister of FINANCE be pleased to state the per capita spending on Social services during the last three years, year-wise, State and Centre separately?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): A statement indicating the per capita spending on social services during 1992-93, 1993-94 and 1994-95, State-wise and all India is attached.

**Statement**  
*Per Capita Spending on Social Services*

S.No.	States	Percapita Govt. Expenditure on Social Security & Welfare Services (Rs.) at current prices		
		1992-93	1993-94	1994-95
1.	Andhra Pradesh	56	115	180
2.	Arunachal Pradesh	67	92	100
3.	Assam	32	47	53
4.	Bihar	39	33	54
5.	Goa	78	82	87
6.	Gujarat	57	64	48
7.	Haryana	106	107	146
8.	Himachal Pradesh	103	102	133
9.	Jammu & Kashmir	69	62	70
10.	Karnataka	121	145	142
11.	Kerala	77	89	83
12.	Madhya Pradesh	36	39	48
13.	Maharashtra	42	41	50
14.	Manipur	150	144	110
15.	Meghalaya	68	88	84
16.	Mizoram	301	319	484
17.	Nagaland	91	171	151
18.	Orissa	65	72	78
19.	Punjab	64	58	59
20.	Rajasthan	49	55	61
21.	Sikkim	63	131	1910
22.	Tamil Nadu	218	178	210
23.	Tripura	202	194	219
24.	Uttar Pradesh	35	47	51
25.	West Bengal	34	40	43
26.	Delhi @		51	59
27.	Pondicherry	191	188	271
All India		69	79	94

@ Delhi has got Legislative Assembly since 1993-94 financial year.

**Export of Value Added Products**

2876. SHRI MAHENDRA SINGH BHATI: Will the Minister of COMMERCE be pleased to state:

- (a) whether there is a scope to boost export services and value added products from the country;
- (b) if so, the details thereof; and
- (c) the measures taken or proposed to be taken by the Govt. in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) The Government encourages export of all products/commodities including value-added products and services. There is an increasing emphasis on the export of value added products such as gems and jewellery, processed foods etc.

(c) Policy measures and incentives have been provided to encourage export of services and value-added products from the country. For instance, import of capital goods at concessional duty is allowed for services exports; tax exemption of part of profits is also available to the services exports. To encourage software service exports tax exemption of profits under 80 HHE/O provision of Income Tax is being provided. Under the EPZ scheme, DTA sales of software in any mode including data communication is permitted up to 25% of the production. Further export promotion schemes in the Exim Policy such as the EPZ/EQU scheme, the duty exemption scheme etc. carry stipulation regarding value addition which encourages export of value-added products from the country.

Export promotion including promotion of services exports is a continuous process and sustained efforts are being made by the Government in consultation with trade and industry.

**Loan to States Under SSSs**

2877. SHRI GIRDHARI LAL BHARGAVA: Will the Minister of FINANCE be pleased to state:

- (a) whether the Government of India provides loans to States out of collections of Small Savings and the loan amount in a year is 75% of the net collection in the year; and
- (b) what is the significance of the 75% amount and why it cannot be raised to 90% as the entire money is public money and States are not defaulting in repayment of loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI SATPAL MAHARAJ): (a) Yes Sir.

(b) The State Government are entitled to 75% of net collection under Small Savings Schemes as a 25 year loan carrying a 5 year moratorium period. Keeping in view the operational cost of collection as well as tax subsidy on these schemes, it is not feasible to increase the States' share to 90%.

[Translation]

**Second Report of BIFR**

2878. SHRI CHINTAMAN WANAGA:

SHRI ANANT GUDHE:

SHRI NARAYAN ATHAWALAY:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received the Second Annual Report of the Board for Industrial and Financial Reconstruction;

(b) if so, the details thereof;

(c) the total number of companies declared sick and as per the report the total loss incurred by these companies, State-wise; and

(d) the details of the action proposed to be taken to deal with the problems of Industrial sickness effectively and the strategies worked out for different industries, particularly for Maharashtra?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) As per the annual report of the Board for Industrial and Financial Reconstruction (BIFR), 1853 references were registered with the Board upto 31.12.1996 which included 61 references from Central Public Sector Undertakings and 84 from State Public Sector undertakings. 593 rehabilitation schemes were sanctioned by BIFR out of which 162 schemes were implemented and those companies were discharged from the purview of BIFR as their networth become positive. 496 companies were recommended to be wound up. BIFR disposed of 275 references during the year 1996.

(c) Out of the 1853 references registered with the BIFR upto 31.12.1996, 406 references were dismissed as non-maintainable under the Sick Industrial Companies (Special Provisions) Act, (SICA) 1985 and the remaining 1447 companies were declared sick. The total accumulated losses as reported by these companies at the time of their registration with the BIFR was Rs.23793.34 crores. Statewise details are given in the attached statement.

(d) The sick industrial companies registered with the BIFR are dealt in accordance with the provisions of the SICA. Upto 31.12.1996, from the Maharashtra State 290 companies were registered with BIFR. Out of these rehabilitation schemes were sanctioned for 111 companies and 75 companies were recommended to be wound up. It may be added that Government has introduced a Bill in the Parliament named as Sick Industrial Companies (Special Provisions) Bill, 1997 to replace the existing SICA.

**Statement**

*Accumulated Losses Reported by the Companies Declared Sick Under the Provisions of SICA,  
1985 Position As on 31.12.1996*

Name of State/UT		No. of Companies Declared Sick	Accumulated Loss Rs. in Crores
1.	Andhra Pradesh	182	1814.07
2.	Assam	4	1522.94
3.	Bihar	44	3774.12
3.A	Chandigarh	2	2.49
4.	Dadra & Nagar Haveli	2	2.49
5.	National Capital Territory of Delhi	8	242.60
6.	Goa	3	13.84
7.	Gujarat	127	1391.99
8.	Haryana	46	754.03
9.	Himachal Pradesh	24	83.98
10.	Jammu & Kashmir	6	63.17
11.	Karnataka	91	947.66
12.	Kerala	45	475.36
13.	Manipur	1	9.87
14.	Madhya Pradesh	82	665.55
15.	Maharashtra	231	2393.11
16.	Orissa	31	340.65
17.	Pondicherry	7	44.19
18.	Punjab	46	338.26
19.	Rajasthan	65	269.16
20.	Tamil Nadu	112	1663.81
21.	Uttar Pradesh	144	3195.65
22.	West Bengal	144	3784.35
Total		1447	23793.34

[English]

**Ban by US on Import of Shrimps from India**

2879. SHRI ISWAR PRASANNA HAZARIKA: Will the Minister of COMMERCE be pleased to state:

(a) whether the restrictions have been imposed by the US on the import of some of the shrimps from India;

(b) if so, the reasons thereof;

(c) whether the Govt. have challenged these

restrictions before the WTO; and

(d) if so, the status thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) Yes, Sir. USA has imposed restrictions on import of shrimps or products from shrimps which have been harvested with commercial fishing technology which may adversely affect the sea turtles under the U.S. Public Law 101-162 on many countries including India.



(c) and (b) Since this matter could not be resolved through consultations as provided under the Understanding on Rules and Procedures governing the settlement of Disputes (DSU) of the World Trade Organisation, India requested for the establishment of a Dispute Settlement Panel in the WTO. This panel is presently examining the complaints made by a group of countries including India.

12.01 hrs.

# PAPERS LAID ON THE TABLE

[English]

## **Notification regarding Central Advisory Council Procedure (Amendment) Rules, 1997**

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): Sir, I beg to lay on the Table:

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 30 of the Industries (Development and Regulations) Act, 1995:-

- (i) The Central Advisory Council Procedural (Amendment) Rules, 1997 published in Notification No. G.S.R. 298 (E) in Gazette of India dated the 2nd June, 1997.
- (ii) The Development Councils (Procedural) Amendment Rules, 1997 published in Notification No. G.S.R. 299 (E) in Gazette of India dated the 2nd June, 1997.

[Placed in Library. See No. LT 2296/97]

(2) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the companies Act, 1956:-

- (i) Statement regarding Review by the Government of the working of the Scooters India Limited, Lucknow for the year 1995-96.
- (ii) Annual Report of the Scooters India Limited, Lucknow for the year 1995-96, alongwith Audited Accounts and comments of the Controller and Auditor General thereon.

(3) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT 2297/97]

## **Annual Report and Accounts of the Regional Rural Banks for the year ended the 31st March, 1996 etc.**

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, I beg to lay on the Table:

(1) A copy each of the following Annual Report and Accounts (Hindi and English versions) of the

Regional Rural Banks for the year ended the 31st March, 1996, together with Auditor's Report thereon:-

(i) Koshi Kshetriya Gramin Bank, Purnea, Bihar.

[Placed in Library. See No. LT 2298/97]

(ii) Balasore Gramya Bank, Balasore, Orissa.

[Placed in Library. See No. LT 2299/97]

(iii) Etawah Kshetriya Gramin Bank, Etawah, U.P.

[Placed in Library. See No. LT 2300/97]

(iv) Avadh Gramin Bank, Hardoi, U.P.

[Placed in Library. See No. LT 2301/97]

(v) Murshidabad Gramin Bank, Murshidabad, W.B.

[Placed in Library. See No. LT 2302/97]

(2) A copy each of the following Annual Reports (Hindi and English versions) under sub-section (8) of section 10 of the Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980:-

(i) Report on the working and activities of the Bank of Baroda for the year 1996-97, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT 2303/97]

(ii) Report on the working and activities of the Bank of India for the year 1996-97, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT 2304/97]

(iii) Report on the working and activities of the Canara Bank for the year 1996-97, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT 2305/97]

(iv) Report on the working and activities of the Dena Bank for the year 1996-97, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT 2306/97]

(v) Report on the working and activities of the Oriental Bank of Commerce for the year 1996-97, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT 2307/97]

(vi) Report on the working and activities of the Vijaya Bank for the year 1996-97, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT 2308/97]

(3) A copy each of the Annual Reports (Hindi and

English versions) of the State Bank of India, State Bank of Bikaner and Jaipur, State Bank of Indore, State Bank of Mysore, State Bank of Patiala and State Bank of Saurashtra for the year 1996-97, alongwith Audited Accounts and Auditor's Report thereon, under sub-section (4) of section 40 of the State Bank of India Act, 1955 and sub-section (3) of section 43 of the State Bank of India (Subsidiary Banks) Act, 1959, respectively.

[Placed in Library. See No. LT 2309/97]

**Review by the Government of the Working of NTCL, New Delhi for the year 1994-95 etc.**

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): 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 National Textile Corporation Limited, New Delhi, for the year 1994-95.
  - (ii) Annual Report of the National Textile Corporation Limited, New Delhi, for the year 1994-95, alongwith Audited Accounts and comments of the Controller 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 2310/97]

**Annual Accounts of the Rubber Board, Kottayam for the year 1995-96, together with Audit Report Thereon**

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): Sir, I beg to lay on the Table:-

- (1) A copy of the Annual Accounts (Hindi and English versions) of the Rubber Board, Kottayam, for the year 1995-96, together with Audit Report 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 2311/97]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Coffee Board for the year 1995-96.
- (ii) a copy of the Review (Hindi and English versions) by the Government of the working of the Coffee Board for the year 1995-96.
- (4) Statement (Hindi and English versions) showing

reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT 2312/97]

**Cost Accounting Records (Sugar) Rules, 1997 published in Notification No. GSR 388(E) in Gazette of India dt. 15 July 1997 etc.**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): Sir, I beg to lay on the Table:

- (1) A copy of the Cost Accounting Records (Sugar) Rules, 1997 (Hindi and English versions) published in Notification No. G.S.R. 388(E) in Gazette of India dated the 15th July, 1997, under sub-section (3) of section 642 of the Companies Act, 1956.

[Placed in Library See No. LT 2313/97]

- (2) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excise Act, 1944:-
  - (i) G.S.R. 235(E) published in Gazette of India dated the 29th April, 1997 together with an explanatory memorandum seeking to prescribe revised tariff values on aerated waters, generally known as soft drinks, for the purpose of levy of excise duty.
  - (ii) G.S.R. 236(E) published in Gazette of India dated the 29th April, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 2/95-C.E., dated the 4th January, 1995.
  - (iii) G.S.R. 241(E) published in Gazette of India dated the 3rd May, 1997 together with an explanatory memorandum seeking to exempt steam used within the factory of its production from the whole of excise duty.
  - (iv) G.S.R. 252(E) published in Gazette of India dated the 9th May, 1997 together with an explanatory memorandum seeking to exempt excise duty on vegetable saps and extracts, if used within the factory of their production for the manufacture of Ayurvedic, Unani or Siddha medicaments.
  - (v) G.S.R. 321(E) published in Gazette of India dated the 13th June, 1997 together with an explanatory memorandum seeking to provide full exemption from excise duty to certain categories of goods specified therein when manufactured in rural areas by registered co-operative societies, women's societies, institutions recognised by the Khadi and Village Industries Commission, State Khadi and Village Boards etc.
  - (vi) G.S.R. 342(E) published in Gazette of India

dated the 25th June, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 4/97-CE, dated the 1st March, 1997.

(vii) G.S.R. 353(E) published in Gazette of India dated the 27th June, 1997 together with an explanatory memorandum providing exemption clearances for home consumption of excisable goods of the description specified therein from so much of the normal duty of excise leviable thereon as is in excess of the amount calculated at the rate specified in the Table annexed with the Notification.

(viii) G.S.R. 354(E) published in Gazette of India dated the 30th, June, 1997 together with an explanatory memorandum making certain amendments in certain Notifications mentioned therein.

(ix) G.S.R. 368(E) published in Gazette of India dated the 7th July 1997 together with an explanatory memorandum making certain amendments in the Notification No 1/95-CE, dated the 4th January, 1995.

(x) G.S.R. 327(E) published in Gazette of India dated the 17th June, 1997 together with an explanatory memorandum seeking to provide that, in accordance with the general practice that was prevalent at the relevant time, the duty of excise and additional duty of excise which were not being levied on unbranded chewing tobacco and captively consumed in the manufacture of branded chewing tobacco, shall not be required to be paid during the period commencing on the 1st day of March, 1994 and ending with 7th day of March, 1994.

[Placed in Library. See No. LT 2314/97]

(3) A copy each of the following Notification (Hindi and English versions) under section 159 of the Customs Act, 1962:-

(i) G.S.R. 233(E) published in Gazette of India dated the 29th, April, 1997 together with an explanatory memorandum seeking to amend Notification No. 11/97-Cus., dated the 1st March, 1997 so as to exempt kits required for conversion of motor-spirit driven vehicles into propane driven vehicles.

(ii) G.S.R. 269(E) published in Gazette of India dated the 21st May, 1997d together with an explanatory memorandum making certain amendments in the Notification No. 11/97-Cus., dated the 1st March, 1997.

(iii) G.S.R. 275(E) published in Gazette of India dated the 26th May, 1997 together with an explanatory memorandum seeking to exempt

petroleum crude from so much of the additional duty of customs as is equal to the cess leviable on Domestically produced petroleum crude under the Oil Industry Development Act, 1974.

(iv) G.S.R. 300(E) published in Gazette of India dated the 2nd June, 1997 together with an explanatory memorandum making certain amendments in Notification No. 11/97-Cus., dated the 1st March, 1997.

(v) G.S.R. 301(E) published in Gazette of India dated the 3rd June, 1997 together with an explanatory memorandum seeking to prescribe a concessional rate of basic customs duty of ten percent *ad-valorem* on external silicone breast prosthesis.

(vi) The Project Imports (Amendments) Regulations, 1997, published in Notification No. G.S.R. 308(E) in Gazette of India dated the 5th June, 1997.

[Placed In Library. See No. LT 2315/97]

(4) A copy of the Notification No. G.S.R. 234(E) (Hindi and English versions) published in Gazette of India dated the 29th April, 1997 together with an explanatory memorandum seeking to impose anti-dumping duty on Bisphenol-A exported from the United States of America into India by the exporters mentioned in the Notification, under sub-section (7) of section 9A of the Customs Tariff Act, 1975.

[Placed in Library. See No. LT 2316/97]

(5) A copy each of the following Notifications (Hindi and English versions) under section 77 of the Narcotic Drugs and Psychotropic Substances Act, 1985:-

(i) The Narcotic Drugs and Psychotropic Substances (Amendment) Rules, 1997, published in Notification No. G.S.R. 350(E) in Gazette of India dated the 27th June, 1997.

(ii) S.O. 503(E) published in Gazette of India dated the 16th July, 1996 specifying the quantity in relation to the narcotic drugs or Psychotropic Substances as "small quantity" for the purpose of clause (a) of section 27 of the Act.

(iii) S.O. 527(E) published in Gazette of India dated the 23rd July, 1996 specifying the quantity in relation to the narcotic drugs and psychotropic substances mentioned therein as "small quantity" for the purpose of clause (b) of section 27 of the Act.

[Placed in Library. See No. LT 2317/97]

12.02 1/2 hrs.

## PRESENTATION OF PETITION

*[Translation]*

LT. GENERAL PRAKASH MANI TRIPATHI (DEORIA): Mr. Speaker, Sir, I present a petition signed by Vice Admiral (Retd.) R.B. Suri Vice President, Navy Foundation, New Delhi, Major Gen. (Retd.) S.C. Suri and others regarding anomalies arising out of the recommendations of the fifth Pay Commission in respect of pay, allowances, pension and status of serving Armed Forces Personnel and Ex-Servicemen with reference to the comparable categories of other Central Government Employees.

12.03 hrs.

## BUSINESS OF THE HOUSE

*[English]*

THE MINISTER OF TOURISM AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI SRIKANTA JENA): With your permission, Sir, I rise to announce that Government Business during the week commencing Monday, the 11th August, 1997 will consist of:-

1. Consideration of any item of Government Business carried over from today's Order Paper.
2. Further discussion and voting on Supplementary Demands for Grants (Railways) for 1997-98.
3. Consideration and passing of the Essential Commodities (Special Provisions) Amendment Bill, 1997.
4. Discussion on the Statutory Resolution seeking disapproval of the Out-of-Turn Allotment of Government Residences (Validation) Ordinance, 1997 and consideration and passing of the Out-of-Turn Allotment of Government Residence (Validation) Bill, 1997.
5. Consideration and passing of the Constitution (Eighty-first Amendment) Bill, 1996.
6. Consideration and passing of the Indira Gandhi National Open University (Amendment) Bill, 1997 as passed by Rajya Sabha.

MR. SPEAKER: Shri Rajiv Pratap Rudy.

*(Interruptions)**[Translation]*

SHRI NITISH KUMAR (BARH): What happened to Members' salary?

*[English]*

MR. SPEAKER: Please do not raise it again and again. It is not nice. Why are you raising it again and again?

*(Interruptions)*

MR. SPEAKER: I do not think such things should be raised on the floor of the House again and again. There is a limit.

*(Interruptions)*

MR. SPEAKER: I think the Members can go to the Minister and talk to him. Please do not raise it on the floor of the House.

SHRI RAJIV PRATAP RUDY (CHHAPRA): Sir, the following items may be included in the next week's agenda.  
...*(Interruptions)*

MR. SPEAKER: It was placed before the Business Advisory Committee. In fact, in the last week as accepted one. So, you might get your chance. Please read it.

SHRI RAJIV PRATAP RUDY: Sir, the following items may be included in the next week's agenda:-

1. To discuss the poor growth of social forestry in the country after introduction of Jawahar Rozgar Yojana.
2. To discuss the falling standards of medical health especially related to sexually transmitted diseases etc. in rural women of India.

*[Translation]*

SHRI ATAL BIHARI VAJPAYEE (LUCKNOW): Mr. Speaker, Sir, with your permission, I would like to draw the attention of the House towards an important issue.

*[English]*

MR. SPEAKER: Can it be after the submissions are over?

SHRI ATAL BIHARI VAJPAYEE: Yes, Sir.

PROF. JITENDRA NATH DAS (JALPAIGURI): Sir, the following items may be included in the next week's agenda:

- (1) Need to increase the Support Price of raw jute and to provide more amount to Jute Corporation of India to procure jute from the producers to save the farmers from distress sale.
- (2) Need to set up food processing industries in the districts of Maldah, Jalpaiguri, Coochbehar and Darjeeling as plenty of raw materials are available to set up such industries.

*[Translation]*

SHRI JAI PRAKASH AGARWAL (CHANDNI CHOWK-DELHI): Mr. Speaker, Sir, the following two items may kindly be included in the next weeks agenda:-

1. There are a large number of educational institutions in the country including National Capital Delhi which have deposited P.F. worth crores of rupees in the banks and which are indulged in gross misappropriation of P.F. subscription of teachers and employees. Need to check mis-appropriation of P.F. contribution of teachers and employees.

2. Primary education has been included in Indian constitution and free primary education is being imparted in Government schools. The private educational institutions are earning huge money in the name of primary education. These private educational institutions should be run on no profit no loss basis and arrangement should be made to impart free primary education.

SHRI SOHAN VEER SINGH (MUZAFFARNAGAR): Mr. Speaker, Sir, the following important items may be included in the next week's agenda:

1. Need to construct a railway overbridge at New Mandi Railway crossing over railway line in Muzaffarnagar, Uttar Pradesh.

2. Need to sanction a central school for Muzaffarnagar Parliamentary Constituency of Uttar Pradesh.

SHRI SANTOSH KUMAR GANGWAR (BAREILLY): Mr. Speaker, Sir, before I read it, I would like to give a suggestion. ...*(Interruptions)*

*[English]*

MR. SPEAKER: Please do not deviate from the text.

*[Translation]*

SHRI SANTOSH KUMAR GANGWAR: As reply is given in respect of the matter raised under rule 377, acknowledgement of submission should also be given. This is my request ...*(Interruptions)* because there is no meaning to speak without it. ...*(Interruptions)*

Sir, following items may be included in the next week's agenda.

1. Need to make announcement regarding early implementation of recommendation of Justice Talwar Committee constituted for extra Departmental Postal workers.

2. Need to accord approval by the Air Force for construction of civil airstrip near Air Force station in Bareilly (U.P.).

DR. SATYANARAYAN JATIA (UJJAIN): Mr. Speaker, Sir, the following two items may be included in the next week's agenda:-

1. The country is in the grip of power crisis and the power generation in Madhya Pradesh is not according to its demand and supply. Therefore, power generation may be increased by giving top priority to power generation projects.

2. The textile industry of the country is in a crisis. Heera Mill of N.T.C. in Ujjain, Indore Textiles and Binod of N.T.C. and the Vimal Mills have stopped production. Due to this closure, thousands of workers of these mills have been rendered jobless. Therefore, effective steps should be taken to revive these textile mills.

VAIDYA DAU DAYAL JOSHI (KOTA): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

1. The power situation in Rajasthan is causing concern. It is unfortunate that electricity is not available there. The Central Government is providing gas for the gas based power plants. Unfortunately, the gas is not being provided by them for the second phase of N.T.P.C. while it is being provided to those states which had started their schemes at later stage. As a result the state is still facing the situation of power crisis.

MR. SPEAKER: Where from are you reading it?

*(Interruptions)*

VAIDYA DAU DAYAL JOSHI: I am reading from the written text. ...*(Interruptions)*

*[English]*

MR. SPEAKER: You do not do that.

*[Translation]*

VAIDYA DAU DAYAL JOSHI: Both the issues are different. I am reading only that is written here.

2. Non-availability of gas in Kota city is a matter of concern. People are there on the waiting list for the last so many years. In a number of states LPG connections have been provided on a priority basis but unfortunately, such connections are not being provided in this city for the last so many years.

Please be kind enough to include these two items in the next week's agenda.

SHRI RAMBAHADUR SINGH (MAHARAJGANJ): Mr. Speaker, Sir, the following items may be included in the next week's agenda.

Irregularities committed by Bihar State Land Development Bank in disbursement of amount given to it by NABARD for giving loans to the farmers.

SHRI BHAGWAN SHANKAR RAWAT (AGRA): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

The provision regarding punishment under Essential Commodities Act may be reconsidered and the crime committee under that Act may be made bailable and the period of validity of the Act may not be increased from 15 years to 20 years.

SHRI BACHI SINGH RAWAT 'BACHDA' (ALMORA): Mr. Speaker Sir, the following items be included in the next weeks agenda:

1. Need to increase the capacity of very low power T.V. Transmitter, Relay Centres located at Didihat, Dharchula, Jaurasi, Ranikhet etc. in Uttar Pradesh and to make proper arrangements for maintenance of T.V. transmitter Centres in Almora and Pithoragarh.

2. Need to regularise the services of employees of Central Border Road Organisation and Extra-Departmental Postal employees.

[Translation]

12.12 hrs.

**RE: ALLEGED ATTEMPT TO CREATE VIOLENCE BY  
SOME ELEMENTS IN UTTAR PRADESH**

SHRI ATAL BIHARI VAJPAYEE (LUCKNOW): Mr. Speaker, Sir, on the basis of reports coming from different parts of Uttar Pradesh, it seems that a conspiracy is being hatched to instigate large scale caste and communal riots in that state. A political party has provoked long drawn religions conflict between two sections of Muslim community in such a manner that had the administration not been alert and brought the situation under control immediately, it would not have remained confined to the two sections of that community but it might have assumed the dimension of Hindu-Muslim riots.

Sir, reports received from Kanpur yesterday confirm our doubt that some political parties and elements are bent upon to create an atmosphere of violence in Uttar Pradesh. After the unfortunate incident of Mumbai, security arrangements have been tightened for the protection of statues of Dr. Ambedkar, at all the places where these have been installed. However, yesterday at 6.30 A.M. in the morning, attempts were made to desecrate the statue of Dr. Ambedkar in Nanarao Park. It seems that the miscreants had gone there with the intentions of inciting the people and for that purpose they were accompanied by some anti-social elements. During those early hours of the morning, the policemen on duty perhaps had gone out for their morning course but returned soon and the miscreant fled from the scene. Later on, we came to know that this was not a matter of desecration of the statue of Dr. Ambedkar only but was also an attempt to dismantle the statue of Indira ji installed at Western Road. One arm of the statue had been broken by the miscreants. The administration repaired the statue and brought the situation under control. But it is true that the arm of the statue had been broken. Attempts were also made to destroy the statue of Gandhiji with a bomb blast. Those, who made an attempt to blacken the statue of Dr. Ambedkar ...*(Interruptions)*

SHRI BRIJ BHUSHAN TIWARI (DUMARIAGANJ): Kindly include the incident of Sitapur also.

SHRI ATAL BIHARI VAJPAYEE: I am ready. I have no objection ...*(Interruptions)* Those two persons who made an attempt to desecrate the statue of Dr. Ambedkar have been arrested. Now both of them are in jail. They have confessed their crime. These two persons belong to two different political parties. One of them belongs to Janata Dal and other one to Samajwadi Party ...*(Interruptions)*

SHRI BRIJ BHUSHAN TIWARI: Sir, it is an incorrect allegation. ...*(Interruptions)*

SHRI ATAL BIHARI VAJPAYEE: Mr. Speaker Sir, I am narrating the facts. As regards the point of political opposition in Uttar Pradesh, there cannot be any objection for that. If a former Prime Minister sits on hunger strike on the Independence Day in the capital city of that state,

Lucknow even that is not objectionable. But no attempts should be made to disturb the peace in that state. It amounts to threatening the security of entire country. Foreign powers can take undue advantage of this situation. I would therefore like to request Members of the treasury benches to fight only a political battle and not to come out to plunge the state of Uttar Pradesh into the fire of communal violence.

SHRI RAMSAGAR (BARABANKI): Mr. Speaker, Sir, name of party has been mentioned here. Therefore, I should also be given a chance to speak.

MR. SPEAKER: I have received your notice. It still is under consideration and now there won't be a debate on it.

[English]

THE MINISTER OF TOURISM AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI SRIKANTA JENA): Mr. Speaker, Sir, Since the Leader of the Opposition has charged that the Janata Dal and the Samajwadi Party are instigating this kind of activities, both these parties should get a chance to counter this charge. They should clarify their position. So, you should allow them. ...*(Interruptions)*

[Translation]

SHRI BRIJ BHUSHAN TIWARI: Mr. Speaker Sir, let there be a debate on it in the House.

[English]

SHRI SOMNATH CHATTERJEE (BOLPUR): Mr. Speaker, Sir, every right thinking member of the society and particularly the Members of Parliament here should be concerned at any attempt to disturb peace and communal harmony. We find that there are, no doubt, instigations these days in many places. My hon. friend here says that the event of Maharashtra was an unfortunate incident. There is an investigation going on to find out the cause for that incident. But now apart from the fact that a State matter is being raised, I have been, in my humble way, trying to say that let us not cut across the very basis of our functioning here under the Constitution by bringing in any and every State matter. There are some important issues which we cannot avoid raising here. But every State matter is being raised and now openly allegations have been made against two constituents of the United Front which are in the Government.

Sir, in one State, the Leader of the Opposition's political party has joined the Government there and I need not refer here as to what had been their role in the past. ...*(Interruptions)* They are entering into permutations and combinations and it is for them to do anything. But there should be introspection also on that side. What have they done to maintain communal harmony and peace among all the communities in that State?

SHRI V. DHANANJAYA KUMAR (MANGALORE): Do you support what had happened there?

SHRI SOMNATH CHATTERJEE: I am not supporting. I have said that we want complete peace and harmony. But now taking up an attitude of righteous indignation on the basis of certain unfortunate events that may be there in Uttar Pradesh and trying to blame some political parties on the floor of the House and that too during the Zero Hour is very unfortunate. I am sure that my friends here would be able to rebut this allegation. *...(Interruptions)*

MR. SPEAKER: I have received notice under Rule 193 and Rule 184 on the situation in Uttar Pradesh. I am placing it before the Business Advisory Committee. I think, we can decide there rather than answering it now. I think it would be better. The choice is yours. If you want to reply now, then I will have to close the other matter.

SHRI SRIKANTA JENA: Sir, the Members belonging to the Samajwadi Party and others have been requesting you to allow them to discuss the situation prevailing in Uttar Pradesh. That matter is under your consideration. Today, in the morning, they met you, and I also raised this matter in the last BAC meeting. But the point is that the Leader of the Opposition, during the Zero Hour, charged the Samajwadi Party and the Janata Dal *...(Interruptions)*

DR. MURLI MANOHAR JOSHI (ALLAHABAD): Shri Vajpayee has not charged any party. He merely said that two persons were associating with the parties, and he has not named the parties. Shri Vajpayee has not charged any party. Mr. Parliamentary Affairs Minister, why are you making....

SHRI SRIKANTA JENA: Please let me complete.

DR. MURLI MANOHAR JOSHI: Please just listen to what the Leader of the Opposition has stated.

SHRI SRIKANTA JENA: Please let me complete. *...(Interruptions)*

SHRI NIRMAL KANTI CHATTERJEE (DUMDUM): Does it behave those who were instrumental in destroying the Babri Masjid? Have you not learnt any proper lessons? Does it behave you? *...(Interruptions)*

*[Translation]*

SHRI BHAGWAN SHANKAR RAWAT (AGRA): Mr. Speaker, Sir, attempts have been made to break the statue of Gandhiji in Kanpur...*(Interruptions)* Workers of Janata Dal and Samajwadi Party were involved in it *...(Interruptions)* Workers of Samajwadi Party have also broken the statue of Gandhiji in Raybha village in Agra. *...(Interruptions)*

*[English]*

MR. SPEAKER: I have given the floor to Shri Jena.  
*(Interruptions)*

MR. SPEAKER: Why do you not leave it to your leader?

SHRI SRIKANTA JENA: Sir, I have very carefully listened what the hon. Leader of the Opposition has stated. In this House, we may differ, but whenever Atalji stands

up, everybody listens to him with rapt attention. I have heard him very carefully. He said that there are two parties *...(Interruptions)*

SHRI RAJIV PRATAP RUDY (CHHAPRA): It is a matter of fact.

*[Translation]*

SHRI SRIKANTA JENA: Rudiji, please sit down. If you make noise, how can I complete my point? *...(Interruptions)* Please listen to me first *...(Interruptions)*

*[English]*

SHRI RAJIV PRATAP RUDY: These are matters of fact. It is not an allegation, but this is a matter of fact. There is a difference between 'allegation' and 'fact'. What Shri Vajpayee said is a fact. We are not casting any allegations. It is a matter of fact. *...(Interruptions)*

SHRI V. DHANANJAYA KUMAR: Sir, it is a deliberate attempt to corroborate their notice under Rule 184. *...(Interruptions)*

MR. SPEAKER: Shri Joshi, that is not the way.

DR. MURLI MANOHAR JOSHI: Sir, when you say Joshi, it looks as though it is meant for me.

MR. SPEAKER: I thought all Joshis are disciplined.

DR. MURLI MANOHAR JOSHI: I am a disciplined Member, and like me he is also a disciplined Member.

MR. SPEAKER: Shri Jena said that whenever the Leader of the Opposition speaks on the floor of the House, everybody listens to him with rapt attention. So, when the Parliamentary Affairs Minister is replying or speaking, I think, it is quite proper on your part also to listen to him and not to interrupt him in that manner. After all, he is the Minister of Parliamentary Affairs.

*(Interruptions)*

SHRI V. DHANANJAYA KUMAR: Sir, we are ready. Let there be a full-fledged discussion on this.

SHRI SRIKANTA JENA: I was only submitting that this allegation *...(Interruptions)*

SHRI RAJIV PRATAP RUDY: It is not an allegation, it is a fact.

DR. K.P. RAMALINGAM (TIRUCHENGODE): Why are you interrupting?

SHRI SRIKANTA JENA: Sir, as stated by the hon. Leader of the Opposition, two persons have been arrested and the interrogation is being done by the police. A report immediately came to the Leader of the Opposition that those two persons who are being interrogated belong to the Janata Dal and the Samajwadi Party. From there, if you backtrack the whole thing, it looks as though he is saying that the whole operation in Kanpur and in other areas is being carried out by these two political parties. I know that

the facts can be presented in a certain way by which the impression can be created but at the same time you would not be caught on that.

I think that Dr. Murli Monohar Joshi and Shri Atal Bihari Vajpayee are excellent in that operation. I am not going into that. But this is not a fact. That is why, I said let the Janata Dal and the Samajwadi Party clarify their position. Let us give them a chance. Then the discussion under Rule 193 which is under your consideration can be taken up in the Business Advisory Committee. We can discuss the broader issue also which has been raised now in the House.

SHRI JAGAT VIR SINGH DRONA (KANPUR): It relates to my Constituency. I should be given a chance. If you permit, I will give the names and designations of the political parties.

[Translation]

SHRI RAMSAGAR: Mr. Speaker, Sir, the concern expressed by the hon. leader of the opposition over the incidents of Kanpur is shared by the people of Samajwadi party too. I would like to urge the leader of the opposition to dwell into the past for having a clear picture of the conditions prevailing in Uttar Pradesh. Undoubtedly Gandhiji was the leading torch bearer of the freedom struggle, but in Uttar Pradesh two leaders of a responsible party have refused to acknowledge Gandhiji as the Father of the Nation. I would like to know who are they? ...*(Interruptions)* Secondly bullets were fired at the statue of Gandhi Ji. Statue of late Indira Gandhi was desecrated. Workers of BJP are behind all this and the allegation of the leader of the opposition is without substance because the workers of the Samajwadi Party are no way involved. The Chief Minister of Uttar Pradesh and the people of BJP are behind all this. 'Jail Bharo' agitation of my party cannot be suppressed. ...*(Interruptions)*

SHRI RATILAL KALIDAS VERMA (DHANDHUKA): Mr Speaker, Sir, the people affiliated to Samajwadi Party are behind the atrocities committed on Dalits all over the country and they are inciting them too. Total harmony is prevailing between the Dalits and the upper caste people, but they are out to disturb it ...*(Interruptions)*

[English]

MR. SPEAKER: Why are you discussing all this?

SHRI SURENDRA YADAV (KHALILABAD): Mr. Speaker, Sir, the allegation levelled by the leader of the opposition about involvement of two members belonging to the Janata Dal and Samajwadi Party is not only baseless, but also does not behave the leader of his stature. Workers of BJP have themselves confessed that:

[English]

"No allegation but fact, I want to ask you how have you come to this conclusion that it is a fact."

\*Expunged as ordered by the Chair.

[Translation]

You know nothing. You are saying all this while remaining in Delhi all throughout. By your utterances, it seems as of you are an eye witness. Therefore, I am saying all this is part of conspiracy hatched by you people. You people planned the desecration of these statues. I would like to submit that we people, adore both Dr. Abedkar and Mahatma Gandhi, but it is the BJP who gives little regard to both of them. I would like to know about the happenings of Maharashtra? Further, whether the people of Janata Dal and Samajwadi Party were involved? To divert the attention from the incidents of Maharashtra these people hatched the Kanpur conspiracy of desecration of the statues of Mahatma Gandhi, Dr. Ambedkar and Smt. Indira Gandhi. today, through this august House, I would like to condemn the incidents of Uttar Pradesh and level charge on the BJP that it is their planned conspiracy. The hon. Member is stating that the incidents took place in my constituency, while I would like to submit that the BJP is behind all this. Therefore, I would like to demand a people debate in this regard and also ask them where did they see the workers of Janata Dal and Samajwadi Party. The Government of Uttar Pradesh is having in the most condemnable manner ...*(Interruptions)*

[English]

MR. SPEAKER: I am giving a chance to Shri Azmi because his party is ruling there.

[Translation]

SHRI SURENDRA YADAV: Workers of my party are being killed and statues of Dr. Ambedkar are being desecrated. ...*(Interruptions)*

[English]

MR. SPEAKER: We need not have a full debate now.

[Translation]

SHRI SURENDRA YADAV: Therefore, I demand dismissal of Mayawati Government, because she herself is responsible for all this. Therefore, I demand a full debate on this issue.

SHRI ILIYAS AZMI (SHAHABAD): Mr. Speaker, Sir, I am grateful to you for giving me a chance to speak on this issue ...*(Interruptions)*

[English]

MR. SPEAKER: I am closing the issue now because already I have received two notices. They are under my consideration. Let us not have a full debate now.

[Translation]

SHRI ILIYAS AZMI: It is being widely felt that the Government of Ms. Mayawati is intolerable for some people in Uttar Pradesh. First of all they tried to incite Shia-Shunni fervour in Lucknow. I would like to congratulate the Government of Uttar Pradesh for having amicably settled



the two weak long curfew and tension filled environment because nobody was killed or injured nor any house was torched. As for as the issue of showing disrespect to Dr. Ambedkar is concerned, I would like to say that they very well know that if passions are incited on largescale then disturbances will be difficult to control. Disturbances are not confined to just Kanpur, but are also being witnessed at various places in my constituency too ...*(Interruptions)*

[English]

MR. SPEAKER: We are not going into full debate.

[Translation]

SHRI ILIYAS AZMI: Three persons held responsible for Vaban town disturbances are still languishing in prison. As soon as I came to know of it I tried to check telephonically. After leaving the parliament session in between I rushed to Hardoi to cooldown tempers by getting the statue garlanded heavily. Had we not behaved with utmost passion then the whole of Uttar Pradesh would have witnessed extreme communal disturbances and disharmony ...*(Interruptions)*

[English]

MR. SPEAKER: It is enough. I have already received two notices under Rule 193 and 184. I will put them before the party leaders.

[Translation]

SHRI ILIYAS AZMI: We are trying our best to maintain communal harmony and peace. I fully endorse the views of the leader of the opposition that one particular party is unable to digest it and is out to bring a bad name to Uttar Pradesh. However, we would like to assure this august House that we won't allow that particular party's conspiracy to become successful ...*(Interruptions)*

MR. SPEAKER: Why are you dwelling on? It is too long.

SHRI ILIYAS AZMI: Mr. Speaker, Sir, we will not allow their designs to become successful of inciting people on the issue of statues of Dr. Ambedkar. We are fully capable of lacking any situation. In my constituency three persons owing allegiance to Samajwadi party were apprehended for desecrating the statue of Dr. Ambedkar and are still languishing in jail. Both the hon. Minister of Home Affairs and the hon. Minister of Parliamentary Affairs can call report about the Hardoi incident regarding the antecedents of the persons apprehended ...*(Interruptions)*

[English]

MR. SPEAKER: There are so many MPs. on such issues, we should exercise a lot of restraint.

SHRI JAGAT VIR SINGH DRONA: I will do that.

[Translation]

SHRI BRIJ BHUSHAN TIWARI (DUMARIAGANJ): Mr.

Speaker, Sir, please allow me for a minute.

SHRI JAGAT VIR SINGH DRONA: Mr. Speaker, Sir, I do not want to reiterate the points raised by the hon. leader of the opposition. Every word uttered by him is based on the facts and when he referred to Janata Dal and Samajwadi Party the hon. Minister of Parliamentary Affairs got irritated a little. With your permission I would like to call the names of the persons in the august House, who have conferred for the crime. ...*(Interruptions)*

[English]

MR. SPEAKER: You cannot do. You cannot mention the name of a person who cannot defend himself. You cannot.

[Translation]

SHRI JAGAT VIR SINGH DRONA: Without your permission I do not want to mention the names of the accused, but would like to apprise the hon. Minister of Parliamentary Affairs that a state level General Secretary of his party is one of the accused. I know all the people of my constituency and an active worker of Samajwadi party is one of the accused. Their objective was not only to desecrate the statue of Dr. Ambedkar, but to disturb peace in a preplanned fashion. After desecrating the statue of Dr. Ambedkar they proceeded to Phoolbagh and burst bombs near the statue of Gandhi Ji ...*(Interruptions)* Situation was brought under control by moving lathi charge. Further, marching ahead, they damaged the hand of the statue of Reverend late Indira Gandhi at Meston Road. It was the sagacity of the Administration which got the statue replaced immediately with a view to maintain peace in the city. This is the reason why the leaders and the workers of Samajwadi party are a demoralised lot in Uttar Pradesh. This incident is the culmination of that very thinking.

I take pride in stating that the Administration of Uttar Pradesh is so well alert that no nefarious design is allowed to become successful. On being denied permission by the hon. Speaker, I would not like to mention anybody's name but I have got the names of all ...*(Interruptions)*

[English]

MR. SPEAKER: I want to close it. But if you want to speak more and more, what can I do?

*(Interruptions)*

[Translation]

SHRI BRIJ BHUSHAN TIWARI: Mr. Speaker, Sir, I totally disagree with the utterances of the hon. leader of the opposition and hon. Member of the BJP regarding the Kanpur incidents because I think these are totally baseless. That's why I have given notices under rule 193 and 184 for raising discussion on the incidents of Uttar Pradesh. My Party is going to start satyagrah from 13th August against the oppression of the workers of Samajwadi party. Such a conspiracy is being hatched to fail the satyagrah and to oppress the workers of my party. In fact the statue

of Mahatma Gandhi was damaged in Sitapur. When all this was objected to by the workers of Samajwadi party, they were booked under the Harijan Act. The awards instituted by Hindi Sahitya Sammelon after the names of Gandhi Ji and Dr. Lohia ...*(Interruptions)* The present Government has discontinued those awards also.

*[English]*

MR. SPEAKER: Please conclude Shri Brij Bhushan Tiwari. It is enough.

*(Interruptions)*

*[Translation]*

SHRI BRIJ BHUSHAN TIWARI: The manner in which the present state Government is functioning ...*(Interruptions)* This is their infighting and these people want to shield the state Government. They once again want to incite all around disturbances in Uttar Pradesh in the same manner and style in which they unleashed and provoked violence in the whole country after the demolition of Babri Masjid by them ...*(Interruptions)*

*[English]*

SHRI BASU DEB ACHARIA (BANKURA): Sir, I want to raise my issue.

MR. SPEAKER: Shri Acharia, you have already raised the same issue twice.

SHRI BASU DEB ACHARIA: Sir, I have not raised this before.

MR. SPEAKER: You have raised it on 4th and 5th.

SHRI BASU DEB ACHARIA: Sir, I have not raised this issue ever before. Please allow me to raise it now.

MR. SPEAKER: Yes, please.

SHRI BASU DEB ACHARIA: Sir, after the judgement of Supreme Court of 26th December, 1996 for closing down 1,200 industrial units in and around Delhi, a serious situation has arisen there.

12.39 hrs.

*(MR. DEPUTY-SPEAKER in the Chair)*

As a result of this closure, more than two lakh workers have been affected. There are about 35,000 industrial units in Delhi. Due to all this, a large number of industrial units also will be affected. In this, more than 10 lakhs workers will be affected.

The families of these two lakh workers are in starvation. There have also been some cases of self-immolation by the workers. This is a serious situation. I demand that the Government of India should enact legislation to nullify the judgement delivered by the Supreme Court. The units which shift to sites beyond commutable distance from Delhi should be treated as closed and the workers of these factories should get an additional compensation equivalent to six

years' wages. There are a large number of workers who are casual workers. Even those who have completed more than 240 days are still being treated as casual workers. They should also get an equivalent amount of compensation. According to the order given by the Supreme Court, six years' salary should be given to these workers. A large number of workers have been affected because of the Supreme Court judgement.

I urge upon the Government that a legislation should be enacted to nullify that judgement so that the workers are not affected and are not rendered jobless. There will be a strike on 11th August. They demand that the Government of India should enact a legislation to nullify the judgement because it is the case of a large number of workers. The Government should consider it and see that these workers are not uprooted and proper rehabilitation is done. There are bested interests who will be using this judgement to close down a large number of industries to utilise the land also. In order to prevent that there is a need to do something for the rehabilitation of a large number of workers and to help them.

*[Translation]*

SHRI CHANDRA SHEKHAR (BALLIA): Mr. Deputy Speaker, Sir, Shri Basu Deb Acharia has raised a very important matter. The Supreme Court has directed in its judgement to shift 85 industries from Delhi. In this judgement the Court has said that these industries would be shifted not to some distant places but to such sites where from workers can commute conveniently. So far as I think, people can commute upto a distance of 60 kms. conveniently but a large number of industries are either being shifted to very far off sites or the industrialists are not interested in shifting these units on one pretext or the other. The workers have been suffering on that account for the last several months. Last year, one of the workers had gone to the extent of self-immolation. Families of workers of these industries have been suffering a lot as the workers have been rendered jobless which is causing a feeling of resentment among them. Nobody is listening their woes.

Mr. Deputy Speaker, Sir, I do not agree with Shri Basu Deb Acharia that a legislation should be enacted to nullify the judgement of the Supreme Court regarding shifting of the industries causing damage to the environment. However all the facilities that he has demanded for the workers and employees are quite justified. Shri Basu Deb Acharia has rightly said that if these industries are being shifted to distant sites. The employees of these industries should be given six years salary, every care should be taken to see that these employees are not forced to lose their jobs. They are facing a lot of problem in Delhi. It will create Law and order problem in Delhi if they have no hope and they are dejected and it will be a great tragedy from the humanistic point of view if the Government do not provide them every possible help as Mr. Basu Deb Acharia has also appealed ...*(Interruptions)*

SHRI BHAGWAN SHANKAR RAWAT (AGRA): Mr. Deputy Speaker, Sir, I have given a notice regarding the

Essential Commodities Act. Today in Delhi; thousands of people including a large number of traders are protesting against the decision of the Government to keep this Act valid for a period of five years. They are staging demonstration. The Hon. Minister had said that this act would remain in force for one year but now the Bill moved in this House provides that it shall remain valid for a period of Five Years which is detrimental to the interests of the traders community of the country. All this is being done inspite of the Assurances given by the hon. Minister ...*(Interruptions)*

Mr. Deputy Speaker, Sir, I have given the notice ...*(Interruptions)* Thousands of traders are staging demonstration outside the Parliament House ...*(Interruptions)* This draconian Law should be withdrawn... *(Interruptions)*.

SHRI RAJENDRA AGNIHOTRI (JHANSI): Mr. Deputy Speaker, Sir, traders are staging demonstration in Delhi against the sections 3/7 of the Essential Commodities Act. This is a draconian law and it is causing discontentment among the traders ...*(Interruptions)* Traders are facing a lot of difficulties in their business ...*(Interruptions)*. Consumers are also facing a lot of problems ...*(Interruptions)* Rawat ji has raised a very important point. ...*(Interruptions)* You please give him an opportunity to speak ...*(Interruptions)*.

*[English]*

SHRI SOMNATH CHATTERJEE (BOLPUR): Sir, I will take only one minute.

*[Translation]*

SHRI BHAGWAN SHANKAR RAWAT: Mr. Deputy Speaker, Sir, in this regard, I have given a notice ...*(Interruptions)* Kindly listen to me. This law is being extended for a period of five years ...*(Interruptions)* The Government said that it would extend it for a period of one year even then it is being extended for a period of five years. It is a draconian law as it contains the provision of summary trial whereas the prosecution under this act should be initiated as per the general provisions of the law ...*(Interruptions)* Injustice is being done ...*(Interruptions)*. All the traders of the country are feeling aggrieved on that account. Initially this legislation was enacted for a period of fifteen years but now it is being extended for a period of another five years ...*(Interruptions)*. The period of fifteen years has already lapsed. By extending it further the Central Government is doing an act of injustice and deviating from its stand ...*(Interruptions)*. This Act is being extended for a period of another five years. Traders all over the country are unhappy with this ...*(Interruptions)* The Government is aware that when this legislation had been enacted there was shortage of foodgrains in the country. It was the hard work of the farmers community that brought about Green Revolution in the country. Even the workers made their allout efforts to increase production. However the Government is not checking their employees and officers who have been accepting bribe. Infact the traders are being harassed ...*(Interruptions)* This law is not at all required.

My second point is that in this regard there are provisions in the Indian Panal code and also in the Criminal Procedure Code ...*(Interruptions)*

MR. DEPUTY SPEAKER: Please conclude.

SHRI BHAGWAN SHANKAR RAWAT: Under the existing provisions we can effectively combat the menace of blackmarketing and punish a person indulging in such an act. But now the fundamental right to freedom to practise any trade or business as contained in the Constitution is being violated. The way the traders are being harassed and exploited by misinterpreting the rights given by the constitution, is wrong. This bill should be withdrawn. The Government should respect the feelings of the traders. That is what I would like to say in regard ...*(Interruptions)*

SHRI RAJENDRA AGNIHOTRI: Mr. Deputy Speaker, Sir, the hon. Minister is present here ...*(Interruptions)*

Kindly ask him to say something in this regard ...*(Interruptions)*

*[English]*

MR. DEPUTY SPEAKER: What is going on? Please sit down.

*[Translation]*

SHRI RAJENDRA AGNIHOTRI: Mr. Deputy Speaker, Sir the Hon. Minister should give some assurance ...*(Interruptions)*

*[English]*

MR. DEPUTY SPEAKER: I will allow you. What else do you want? Please sit down.

*[Translation]*

SHRI GIRDHARI LAL BHARGAVA (JAIPUR): Mr. Deputy Speaker, Sir, the Hon. Minister should give some assurance in this regard.

*[English]*

MR. DEPUTY SPEAKER: Please maintain decorum in the House. Please sit down.

*[Translation]*

SHRI GIRDHARI LAL BHARGAVA: Mr. Deputy Speaker, Sir, all the traders will go on strike on 26th ...*(Interruptions)* the Government should take care of it. ...*(Interruptions)* the Government should think over it and withdraw this draconian law ...*(Interruptions)*

*[English]*

MR. DEPUTY SPEAKER: I will allow you. What else do you want?

SHRI SOMNATH CHATTERJEE: Mr. Deputy-Speaker, Sir, a very important issue has been raised by Shri Basu Deb Acharia. I am thankful to Shri Chandra Shekhar for his very strong support.

I would request the Government to call a meeting of the Leaders of all the Parties to solve this problem. Apart from the question of industrial development and the question of environment, human suffering is also there. For no fault of theirs, the workers are losing their jobs. They are being driven out to different places. How do we minimise their sufferings?

I know, we cannot directly nullify a judgement of the Supreme Court but we can change the circumstances on the basis of which that judgement was passed. Keeping in view the legal position and the Constitutional position, I think, a very serious consideration should be given by the Government. I implore them to call a meeting of all the Parties so that a solution can be found out.

[Translation]

SHRI MADHUKAR SARPOTDAR (MUMBAI NORTH-WEST): Mr. Deputy Speaker, Sir while speaking on this issue I would like to say that all the workers have arrived here. They are saying that they have been duped because the industries are set up at a distance of 400-500 kilometers from their present sites and the workers are told that they would not get 6 years' salary because they have been transferred there and they should go there to join their duty. But when these workers, having filled up their forms, go to the actual site, they find there neither any industry, nor any land nor any building. That is how they are duped. This is a serious matter. What I want to say is that we should settle this issue and come to a conclusion so that the workers do not suffer any more. The Government should honour the judgement of the Supreme Court. After all it is a matter that concerns the entire city of Delhi. As regards the gravity of the labourers problem it is not less in any way. The Government should therefore find some way out by delving deep on the issue. ... (Interruptions)

[English]

MR. DEPUTY SPEAKER: Please sit down. Let me say a few words.

(Interruptions)

MR. DEPUTY SPEAKER: Please let me say something.

(Interruptions)

MR. DEPUTY SPEAKER: Please sit down now. Will you please sit down?

(Interruptions)

[Translation]

SHRI VIRENDRA KUMAR SINGH (AURANGABAD): Will you also please allow the members of my party to speak on it?

MR. DEPUTY SPEAKER: Right you yourself go on speaking.

[English]

Nothing will go on record.

(Interruptions)\*

[Translation]

SHRI JAI PRAKASH AGARWAL (CHANDNI CHOWK-DELHI): Mr. Deputy Speaker, Sir, it is an issue that concerns Delhi I may be allowed to speak just for one minute ... (Interruptions)

MR. DEPUTY SPEAKER: This issue concerns not the city of Delhi alone but the entire country.

(Interruptions)

SHRI JAI PRAKASH AGARWAL: I have raised this issue several times that is why I request you to give me only one minute to speak. ... (Interruptions)

MR. DEPUTY SPEAKER: Every body will speak on this issue. What should I do?

(Interruptions)

MR. DEPUTY SPEAKER: I am saying on behalf of all of you.

[English]

The whole House is agitated over this issue. Please sit down.

(Interruptions)

[Translation]

SHRI JAI PRAKASH AGARWAL: The way he ... (Interruptions)

[English]

MR. DEPUTY SPEAKER: I am sorry.

(Interruptions)

[Translation]

MR. DEPUTY SPEAKER: I am saying on behalf of the whole House.

(Interruptions)

[English]

MR. DEPUTY-SPEAKER: I am sorry.

(Interruptions)

MR. DEPUTY-SPEAKER: The whole House is agitated over this issue. I shall request the Government to take a serious notice of this and find a way out.

(Interruptions)

THE MINISTER OF TOURISM AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI SRIKANTA JENA): Sir, I can only assure one thing. As suggested by Shri Somnath Chatterjee, a meeting of all the party leaders can be

organised to discuss this issue because this has arisen because of the decision of the Supreme Court; and in that all party meeting of leaders, the Government will not hesitate to discuss this issue.

MR. DEPUTY-SPEAKER: Thank you. Shri Ram Naik.

[Translation]

SHRI RAM NAIK (MUMBAI NORTH): Mr. Deputy Speaker, Sir, I would like to draw the attention of the House towards the famous scam of Chaitan Ram Bhansali i.e. C.R.B. capitals. Common man, the small investors have lost Rs. 1200 crores by way of investment in the C.R.B. Capital who so ever is responsible for it whether it is SEBI or the Reserve Bank or the Ministry of Finance each one of them is blaming the other for that. It is just passing on the buck. Presently there are about 37,000 non-banking financial companies working in the country. Today itself it has been stated in a reply during the question Hour that 10 million thousand crore people have invested in them. In that regard one scam has come to surface.

But SEBI has not properly discharged its duty in this case. The Reserve Bank had granted their permission in principle to establish a global bank. Now when the whole scam has come to light the Ministry of Finance. The Finance Minister is present here, so he may please pay attention that his Department has given exemption for Esteem bond on March 15, 1997. Earlier we used to say that

[English]

In Government, the right hand is not knowing what the left hand is doing

[Translation]

but now we have come to a situation when one finger does not know as to what is being done by the other finger of that very hand.

We met the Prime Minister twice regarding this matter. A delegation of M.Ps from Mumbai met him. The Prime Minister had given an assurance that he would look into the matter. We put forth three demands. While telling about the first one we told him that the lessons were derived from the security scam but

[English]

those lessons have not been learnt by the Government.

[Translation]

In the earlier scam a bank had been involved but in this scam, small investors have been entrapped. Therefore, a Joint Parliamentary Committee might be constituted to probe into the C.R.B. Capital Scam. At that time the Prime Minister had said

[English]

"I am not averse to such a Committee"

[Translation]

Therefore, I demand that a Joint Parliamentary Committee be constituted to look into this matter. Secondly as per the existing provisions of law, the bankrupt party before going into actual liquidation, has to pay at first the Government dues. It, being so the small investors will not get anything. Therefore my second demand is that out of the money realised from the CRB Capital through the liquidator, payment should be made first to the small investors and then to anybody else. Care should also be taken to ensure that there is no recurrence of this type of incident and to achieve that end it may be ensured that out of the total amount of deposit kept in all such non-financial banking companies, at least an amount upto Rupees two lacs should be kept as an insured amount in the same way as it is done in case of Bank deposits. This is my demand and as the Prime Minister is not present in the House I would like to know as to what action is proposed to be taken by the Finance Minister in this matter. He may kindly apprise the House about it ...*(Interruptions)*

[English]

Sir, the Minister of State in the Ministry of Finance is here. He may say something about this matter ...*(Interruptions)*

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): I have taken note of it.

MR. DEPUTY SPEAKER: He has said that he has taken note of it.

[Translation]

SHRI RAM NAIK: Please stand a while to speak so that the entire House may come to know about it.

MR. DEPUTY SPEAKER: He has stated.

SHRI SATPAL MAHARAJ: I have noted down your points.

SHRI RAM KRIPAL YADAV (PATNA): Mr. Deputy Speaker, Sir, through you I would like to draw the attention of the Government towards the flood situation in several districts of Bihar State.

Recently, almost every area in Bihar state experienced floods due to heavy rains and farmers had to face a lot of difficulties and losses. Patna, Darbhanga, Madhubani, Katihar and Supaul are the places where the floods wreak havoc every year. I went to meet the hon. Prime Minister and the Minister of Agriculture as well, in order to draw their attention towards this problem.

Bihar has suffered a loss of crops worth crores of rupees due to floods. You are requested to provide assistance to compensate that. But as per my knowledge, so far nothing concrete has been done by the Govt. in this direction and as a result, the farmers are facing a lot of difficulties. The seeds, which were sown, have been

destroyed. There is no hope for the crops. This may result into a famine. I, therefore, would like to request hon. Prime Minister and the Minister of Agriculture to immediately provide funds from calamity relief fund to save the poor labourers and farmers from starvation. With this, I would like to conclude.

SHRI MANOJ KUMAR SINHA (GHAZIPUR): Mr. Deputy Speaker, Sir, some political parties and social organisations have been demanding to form a separate State of eastern Uttar Pradesh for the last one year. We do not support the idea either at the personal level or the party level. But I can say it without any hesitation that the area which has contributed a lot in the freedom movement has been totally neglected by the Central Government.

Late Vishwanath Gehmari ji who was a M.P. from our area, had stated about the miserable condition of that area in the House. The Hon. Prime Minister Pandit Jawahar Lal Nehru constituted the Patel Commission for the purpose. The recommendations of Patel Commission have not been implemented till date. Through you, I would like to request the Government to clear the schemes and projects pertaining to roads, irrigation and electricity in the most backward divisions of Gajipur, Balia, Varanasi, Azamgarh and Gorakhpur. The Government should provide special assistance package to complete these schemes. I would like to request you to kindly take an appropriate action in this regard.

I would like to request Shri Chandra Shekharji and the leader of Opposition to draw the attention of the Govt. for the upliftment of these backward areas.

SHRI CHANDRA SHEKHAR: This issue was also raised by Shri Gahmari ji in this House. Atal ji was also present in the House. He can verify it that while describing the situation, Shri Gahmari started crying and the Hon. Shri Nehru ordered the constitution of Patel Commission, but the recommendation made by the Commission have not been implemented till date. The people of this area are a distressed lot. This is the golden jubilee year of Independence and I would like to remind you that people of these districts of Poorvanchal played a leading role in the freedom struggle.

Through you, I would like to request the Government to pay attention to the point raised by Shri Manoj Sinha as there was a plan to form a special development board for this region, which could not be implemented. Shri Atal ji was present there, I therefore, would request him to kindly support this issue.

MR. DEPUTY SPEAKER: He is also present today.  
13.00 hrs.

SHRI ATAL BIHARI VAJPAYEE (LUCKNOW): This is true. I was present in the House at that time when Shri Gahmari had told about the miserable condition of the districts of eastern Uttar Pradesh and while doing so, he started crying. Shri Nehru was also present in the House as the Prime Minister. He was also moved by this speech. As a result, a commission was set up to assess the backwardness of Eastern Uttar Pradesh and thereby

suggest remedies to solve this problem. The report came in but was not implemented. The development Board was not constituted. Even today, this region of Uttar Pradesh is considered amongst the poorest region. That is why, a demand for a separate state is raised by the people of this region. The Central Government is making a large scale spending for the Golden Jubilee celebration of Independence. Such spending can be justified upto some extent but it would be more appropriate if funds are allotted for certain scheme meant for backward areas in the Golden Jubilee year of our Independence.

SHRI MOHAN SINGH (FEROZPUR): Mr. Deputy Speaker, I would like to draw the attention of the House towards the miserable condition of the farmers of Punjab. The farmers of Punjab who produce the largest quantity of paddy and other crops are a worried lot. The PR 106 paddy which the Govt. have been purchasing as super fine quality for the last thirty years, now being purchased as a fine quality. Thus the farmers are not being paid the right price for their produce. I had raised their issue last year also in the House. The Government has not issued any directions to put an end to their woes. This is very unfortunate that the PR 106 quality produced in Punjab is being purchased as fine quality but the same quality gets the rate of super fine quality in the markets of Haryana, J & K or Himachal Pradesh. The Government agencies are just looking the farmers on the pretext of presence of moisture and the size of rice. But the same paddy gets higher rate in the market of Haryana and other states. The Government should immediately take corrective steps to stop this loot and pay the farmers adequately, during the present paddy seasons.

13.04 hrs.

*The Lok Sabha then Adjourned for Lunch till Fourteen of the clock*

14.34 hrs.

*[English]*

*The Lok Sabha re-assembled at Thirty-Four\* Minutes past Fourteen of the Clock.*

(SHRIMATI GEETA MUKHERJEE IN THE CHAIR)

## DISCUSSION UNDER RULE 193

### NEED FOR STREAMLINING THE PUBLIC DISTRIBUTION SYSTEM

MR. CHAIRMAN: Hon. Members, the time allotted for the discussion on Public Distribution System under Rule 193

\*At 14.03 hours quorum bell was rung. No quorum was made. At 14.06 hours quorum bell was rung again and no quorum was made. At 14.09 hours once again quorum bell was rung and no quorum was made. Thereafter, the Additional Secretary informed the Members present as follows:

"There is no quorum. So, the House cannot meet; and we cannot start the House till there is a quorum. Hon. Chairman has directed that the House will reassemble at twenty-five minutes past Fourteen of the Clock."

was two hours. We have already taken three hours. Therefore, by 3.30 p.m. we must finish this item because at 3.30 p.m. we have to take up Private Members' Business. So let us be brief.

14.35 hrs.

[English]

SHRI ANANT GANGARAM GEETE (RATNAGIRI): Mr. Chairman, Madam, the problem of Public Distribution System (PDS) has acquired serious dimensions in the country today. It has left no state untouched. That is why it is being discussed under Rule 193 today. Many times the Government has issued statements through newspapers that there is no dearth of food-grains in the country and the House has also discussed it. We have been exporting wheat and raw sugar to foreign countries. Despite the fact that we are exporting wheat and declaring that there is no dearth of foodgrains, the people of the country are facing starvation due to non-availability of foodgrains. We are proudly saying that the poor man will survive on 'dal-roti' but 'dal' costs Rs. 40 per kg. in big cities and may be Rs. 25-30 per kg. in rural areas today. The poor would have hoped to survive on 'roti' alone but even foodgrains are not available at subsidised rates in the market.

Mr. Chairman, the poor man hoped to get wheat and rice at subsidised rates through PDS but what is the condition of Fair Price Shops today? The foodgrains are not available at subsidised rates at Fair Price Shops in any state though people can be seen standing in queues for wheat, rice, edible or kerosene oil. We are exporting foodgrains to earn foreign exchange for the progress of the country. Despite living in a scientific age and treading towards listcountry. We are not able to provide two square meals to the poor. The country is not going to be strong by earning foreign exchange or by talking of 'Prithvi' or 'Agni' missiles. The country's strength is inherent in the common man's strength and in order to make a common man strong and powerful, we shall have to provide him at least two square meals. Today, different policies are pursued to implement Public Distribution System in the country. This system is torn by irregularities and the States have to bear the brunt of the mistakes committed by the Central Government. The State have to face a lot of criticism due to non-supply of foodgrains by the Centre well on time. In this connection, I would like to place on record some figures with regard to Maharashtra for the information of the hon. Minister. In February-March, 1997 one lakh metric tonnes of wheat was allocated to Maharashtra which was reduced by 5,000 metric tonnes in April-May and further went down to 80,000 metric tonnes between June to August. In other words, the allocation of wheat was cut down by 20,000 metric tonnes likewise, 71,500 metric tonnes of rice was allocated per month in Feb-March to April-May but in August only 43,500 tonnes of rice was allocated to Maharashtra, as compared to February. 28,000 tonnes less rice and 15,000 metric tonnes less wheat was allocated to Maharashtra. I fail to understand the policy behind cutting down the allocation. T.P.D.S. Scheme has

been implemented in the States since June, 1997. As per the rules enforced by the Central Government under T.P.D.S., we shall have to provide 10 Kg. foodgrains at half the rate to 60,45,000 families in the State. My State is facing the problem of non-availability of foodgrains in P.D.S. because of the Central Government's policy of slashing down the allocation of wheat by 20,000 tonnes whereas the demand is increasing, the allocation is being cut.

Mr. Chairman, Sir, the position of edible oils is no different from that of wheat and rice. The Centre allocated 2000 in tonnes of edible oil to the State in January-February which was reduced to 1000 metric tonnes in March and since April not a single kg. of edible oil was allocated to Maharashtra though edible oil is an important component of food as wheat and rice. A poor man cannot afford to buy edible oil from the open market at higher prices. One kg. Palm oil is distributed at subsidised rates to every family on a ration card in Maharashtra but no palm oil has been allocated to the State since April. With the onset of the month of 'Shravana' now, the cultural festivity season has commenced. The situation gets worsened during the festival season and every item of day to day consumption like sugar, edible oil, wheat etc. disappear from the market. There are the items allocated by the Centre to the States and the later is responsible for the distribution thereof. The State Government can not supply the local produce to the people. Maharashtra is a big producer of sugar but the State is not authorised to make it available at subsidised rates to its people. It is only after the Centre allocates foodgrains, sugar and kerosene that the States can distribute them. Our State is, today, faced with a grave problem of shortage of edible oil and kerosene oil.

I am surprised to see the trend of adopting of different policies here. Till 1995 the allocation of kerosene oil to Maharashtra was made under different policies or rules. An allocation of 1,50,814 kiloliters per month during summer, from March 1994 to June, 1994; 1,60,075 kiloliters per month during rainy season, i.e. July-October, 1994; 1,74,522 kilo liter during winter, i.e. November 1994 to Feb., 1995 per month was made to Maharashtra. Mr. Chairman, Sir, consumption of kerosene oil is less during summer as preparation of food does not take much time and there is no need to warm water for bathing purposes. During rainy season, its consumption increases and during winter it almost doubles. Earlier, allocation of kerosene oil was made as per the requirements of the season but since 1995 allocation has been made on an average basis, i.e. 1,63,000 kilo liter in April, 1995, 1,65,000 kilo liter in 1996-97 and 1,67,000 kilo liter in 1997-98. The policy of distribution of kerosene oil leaves its impact not only on the rates but also on the people living there, the consumers and the citizens. Sufficient allocation of kerosene oil in one season and no allocation in the following season makes people bewildered.

In rural areas there is one Fair Price Shop for 5-6 villages and during rains, the villagers are often unable to reach those shops as a result of which the shop owners



[Shri Anant Gangaram Geete]

sell commodities in black market. I demand that foodgrains and oils etc. be allocated to all the States on time as per demand.

Maharashtra has a population of 10 crores of which 1.20 crores live in Mumbai alone. 38 per cent or 1.20 crores Mumbaitees are native Maharashtra and the rest 62 per cent have migrated from other States which account for 70-75 lakh people. The Maharashtra Government is keen to provide ration on subsidised rates to every poor man of the State. 60 per cent of Mumbai's population lives in slums areas and this chunk of 70-80 lakh people are labourers and workers who toil from morning till night to earn a two square meal. They deserve to be provided food items on subsidised rates but they are unable to fetch their rations under PDS due to non-availability of sufficient central allocation.

Mr. Chairman, Madam, my point is that the effective implementation of PDS system is must which is an important and useful part of society. We shall have to ensure that we are able to distribute foodgrains under PDS and the new TPDS system to the deserving families.

Mr. Chairman, Sir, targets are, of course, achieved in such schemes for the poor but the persons whom these are meant do not get the desired benefit. This can be checked from the figures of any State that targets are fully achieved but the poor people for whom the schemes are floated hardly get its benefits in full. The consumer is not benefited. Therefore, the centre should monitor the scheme to ensure that its benefit reaches the targetted person. This is a very good scheme of the centre and I appreciate it.

[English]

THE PRIME MINISTER (SHRI I.K. GUJRAL): Madam, can I intervene just for a minute?

MR. CHAIRMAN: Yes, please.

SHRI I.K. GUJRAL: Madam, I have heard a part of my hon. friend's observations and I agree with it because it is very important for us to have the Public Distribution System which can come to the help and rescue of the very poor sections of the society, and that is what the primary reason was for the Public Distribution System. With the passage of time, we noticed that the prices were going up primarily because the price paid to the producer was going up. Last year, for instance, the Government of India paid higher prices to the farming community, and rightly so. I have no grievance on that because I think that was the right thing we had to do. After all, the farming community constitutes the majority of the country and they must get their due for all the labour put in by them. Naturally that raised the price for the Government's purchase also.

Now, the question before the Government—not my Government but the previous Government, of which I was a member—was how do we come to the rescue of the poorer sections. We always were conscious of the fact that for those people particularly who live below poverty line, it is a terrible burden. My hon. friend has rightly pointed

out that those who live in *jhuggi-jhonparis* or those who live on the roadside, who are a segment of the urban poor, suffer a great deal, not the rural poor or the better off. This is something which we have to keep in mind all the time. Therefore, this new Public Distribution System was devised. The idea was that we give at least some portion of the needs at a highly subsidised price. So, the scheme was that ten kilograms per family we give at half the economic price. That meant a burden on the finances of about Rs. 9,000 crore annually. The Scheme has been implemented. It is being distributed.

Now, with the passage of time—I have been travelling in various States, particularly in the backward States, and particularly the North-Eastern States, and also I have been talking to the Chief Ministers of various States, including their own Chief Ministers—it has been brought to our notice that there are certain distortions in the system. One distortion is that we give ten kilograms at fifty per cent of the price, but no family can live with ten kilograms. Therefore, it will be very wrong to assume that a family of four or five people will consume only ten kilograms per month. It is not sufficient. It is a very correct objection. For the rest of the need, they buy at the market price which is high. Therefore, ultimately the relief which is intended for them becomes very limited. Relief is there but not to the extent that one would like it to be. Keeping in mind the fact that these things have been brought to my notice, we have discussed it amongst ourselves and I am going to call very soon a meeting of the Chief Ministers to evolve a new scheme. In the mean time, we are trying to work out as to what other alternatives we can have. Naturally, my hon. friends will agree that we can have subsidising up to an extent not because subsidy is not needed but because subsidy has a certain sort of a weight on the finances and we have to decide how much we can afford.

I said that a subsidy of Rs. 9,000 crore is already there. Well, perhaps, marginally it can be increased also. Perhaps, we can do something different.

Therefore, keeping all this in mind, the Ministry has been instructed to work out alternatives and, I think, in the very near future I should be able to meet the Chief Ministers and sort it out. But before I sit down I must repeat what I said in the beginning that our sympathy is entirely with the suffering sections of the society. We do want to do something, particularly in this 50th year of Independence. It is a matter of regret and shame sometime that a very large number of people in this country are still below the poverty line. It is of no satisfaction to me that their number has decreased or the percentage has decreased. And to use Gandhiji's words, "As long as there is a tear in even one eye the country cannot consider itself free". Therefore, I share that. I think whether you are there or the friend sitting behind you, Shri George Fernandes and others, are there, we have spent all our lives feeling like this. I am saying that we did not go to the freedom struggle for the sake of a few who may be affluent. We wanted to build a system where more fair deals should be given to the poor.



Well, partly it may have been achieved but, I think, there is still much to be done and I think this Parliament, by and large, whether sitting on this side or on that side, is simply with a cause and, therefore, we share this. It is not a question of party. *...(Interruptions)* It is a question of general policy.

[Translation]

VAIDYA DAU DAYAL JOSHI (KOTA): Please formulate some concrete plan *...(Interruptions)*

[English]

SHRI I.K. GUJRAL: Therefore, I think, it is important for us to keep in mind the fact. *...(Interruptions)*

MR. CHAIRMAN: Please do not disturb him.

SHRI I.K. GUJRAL: Therefore, it is not a question of party. *...(Interruptions)* The main point is, therefore, it is important for all of us to share this. I assure the House that the moment we have worked out alternatives we will come back to the House, discuss with all of you, both in the Leaders' meeting as well as in the House and evolve a scheme which can be more beneficial to the poor.

Thank you very much.

[Translation]

SHRI VIJAY GOEL (SADAR-DELHI): I had made a request in this regard that when you provide subsidy for public Distribution System it is not necessary that the subsidy be provided to that section which is not in need of it.

SHRI MAHENDRA SINGH BHATI (BIKANER): Mr. Chairman, Sir, thank you very much for giving me a chance to speak. Yesterday Shri Panigrahi presented a motion for discussion on P.D.S. under Rule 193 and this discussion is continuously going on. The M.Ps. of different constituencies, the M.Ps. of different states are expressing their views. The hon'ble Prime Minister has intervened in the discussion and he has agreed to our apprehensions. It is, definitely a happy state of affairs. We have been highlighting this matter time and again and the discussion on this matter has been going on since yesterday in the house that under the T.P.D.S. scheme 10 k.g. of wheat is being provided to each family which is in-fact inadequate quantity for a family.

30 k.g. of wheat was being allotted to each family under the previous P.D.S. scheme but consequent upon the implementation of the existing scheme, poor family has not been benefited. May be that former Prime Minister, Shri Devegauda has the plan in his mind to provide benefit to them but the scheme is being implemented in such a way that 10 k.g. of wheat would be provided at the rate of rupees 3 per kg to each family, the Minister of Food is sitting here. Before launching this scheme former Prime Minister held a discussion in this regard at the Chief Minister's Conference. Thereafter, this matter was discussed at the food Ministers' Conference and after that Prime Minister has announced this scheme from the

rampart of Red Fort. The objectives of the scheme were good. The Government thought that the poor should get the benefit of this scheme. The person belonging to lowest strata would get the benefit of it but they have not got proper benefit of this scheme.

It is not fair to presume that there would be four members in family of a poor man. It may have even upto seven members. As such, this quantity of wheat is not adequate for a family. Several people are saying 30 k.g. per family is sufficient but I think and my state has also demanded that it will require 40 k.g. per family.

15.00 hrs.

If his requirement is 40 k.g. government will provide 10 k.g. of food grains under P.D.S. scheme and he will have to purchase remaining 30 k.g. of food grains from open market at the rate of Rs. 7.60 per k.g. I would like to cite an example. If there are 4 to 7 members in a family, they will have to spend about Rs. 258 on this item. If we study the previous scheme, we find that under that scheme they were getting 30 k.g. of food grains for only Rs. 153. In this way they will have to spend additional Rs. 100 only and then they can meet their requirement. I and other members have given the same suggestions. The Prime Minister have admitted that this scheme is impractical. He said that to give it a practical shape we will change it again by holding Chief Minister's Conference in future. Finally, we have come to this conclusion that the earlier scheme was impractical, the stand of the opposing this scheme was justified.

I belong to Rajasthan and my constituency falls in Bikaner. Our Chief Minister of Rajasthan honourable Bhairon Singhji had written letters to Prime Minister from time to time. He was apprised of this types of apprehensions before implementing this scheme. He has put this demand, I think he has also sent a letter to Union Minister in this connection, he expressed the fear that if the quantity of food grains is not increased to 40 k.g. for each family, the poor people will be deprived of the benefits which we want to give them. Therefore, earlier Rajasthan was being allotted 13,57,670 metric tonnes, but after the implementation of this new scheme, only 6,61,900 metric tonnes is being allotted to my State. One thing is clear that more allocation was being made to Rajasthan under the previous scheme but half of that allocation is being made under the existing scheme. It is a matter of grave concern. The Government has not allotted even one metric tonne extra before implementing this scheme. No any additional allotment has been made for the entire country this same scheme has been given new name of P.D.S. scheme by making minor changes only on papers.

I would like to put a suggestion, and the Rajasthan Government has also demanded it, in the previous scheme of 30 k.g. or as the Prime Minister has said that he wanted some amendments in it, we would like to submit that if you want to supply the foodgrains at the rate Rs. 3.00 per kg. then you should allot upto 40 k.g. per family only then the poor person will be benefited, and his whole family will get food.

[Shri Mehendra Singh Bhati]

We implement the scheme but we are unable to make full arrangement for its monitoring. It is also a fact that the monitoring work is having with the State Governments. Yesterday Shivraj Singhji was telling that he made complaints to his State Government regarding the arrangements for distribution. There is no such type of problem in our state. Distribution arrangements in Rajasthan have been made properly. But I would like to say generally that Central Government should monitor the distribution arrangement. The Central Government had stated one thing while implementing this scheme and instructions were issued to State Governments that monitoring committees should be constituted for this purpose at shop, Panchayat Committee, Tehsil and District levels. These committees have been constituted in Rajasthan. I would like to know from the hon'ble Minister while he will give reply whether these committees have constituted in the remaining states except Rajasthan. In the same way at shops, whether it is a question of grains, sugar, kerosene, the whole quantity should be made available to them, these items are lifted from the depots in full quantity but more than half of it is diverted to black markets before reaching the villages. It is a serious matter. The Government have expressed concern over it from time to time. I would like to submit that no problem can be solved just by expressing concern. Hon'ble Minister would definitely give information that what steps the Government will take for solving these problems in practice. At the same time the quantity of ration should be increased keeping in view of the requirements of all states because you had decided before implementing this scheme that we would allocate the foodgrains as per the average of allocation made for last 10 years, but in real term, keeping in view the problems faced by them in lifting the allocation, we should make fresh allocation. For this we expect that as Prime Minister has said in the Chief Minister conference that this scheme will be announced by you in a new form. It seems to me that T.P.D.S. which has been discussed here would remain in force or not after holding talks with the Chief Minister. I fear what he has said. He was giving the impression that now he wants to implement T.P.D.S. in any other amended form. He is also not satisfied with this.

He agreed what our friend Geeteji had said. The wheat meant for Public Distribution System allocated by you is lifted from the godowns of F.C.I., we have been discussing here since yesterday about the functioning of F.C.I. I would like to give an example in this regard.

MR. CHAIRMAN: No, do not give so much examples. Otherwise your time would be over.

SHRI MAHENDRA SINGH BHATI: Hon'ble Chairman, Sir, I have got a chance first time, I am new member ...*(Interruptions)* if I get the chance, that would be given by the public.

There are three F.C.I. Godowns in Bikaner. The three platforms at Deshnoke, Udasar and Nakha in Bikaner where about one lac 20 thousands metric tonnes of inconsumable wheat was lying out of which 8000 metric tonne wheat was sold at the rate of Rs. 305 per quintal and the remaining

one lac 12 thousand metric tonne of wheat, you will be surprised to know, was sold just at the rate of Rs. 90 per quintal. I estimated that government had suffered loss about Rs. 3.72 crores. This was a big scam. This was the result of connivance with the officers. When they were having one lac twenty thousands of inconsumable wheat and at that time they were getting the rate of Rs. 305, they should have sold the whole quantity of wheat, which is used for feeding the cattles. It is, certainly a major scam. I expect from hon'ble Minister that if he would probe into this scam definitely all the officers working there would be found guilty, therefore hon'ble Minister should take it seriously.

At the end, I agree to all these things which have been expressed here by other members regarding T.P.D.S. and hope that the grievances of Rajasthan would be redressed by hon'ble Minister of food.

Thank you very much for giving me time to speak.

VAIDYA DAU DAYAL JOSHI (KOTA): I would like to draw the attention of hon'ble Minister of food. Hon'ble Minister of food I would like to draw your attention. The F.C.I. in Rajasthan ...*(Interruptions)*

*[English]*

MR. CHAIRMAN: Shri Narayana Swamy to speak now. Nothing else, except what Shri Narayana Swamy is saying, will go on record.

*(Interruptions)\**

SHRI C. NARAYANA SWAMY (BANGALORE NORTH): Mr. Chairman, the hon. Prime Minister has already ...*(Interruptions)*

*[Translation]*

SHRI VIJAY GOEL: He is expressing his views.

MR. CHAIRMAN: No, there is no time for expressing views also. I have given him much time. He should also get time.

*(Interruptions)*

*[English]*

MR. CHAIRMAN: Nothing goes on record except what Shri Narayana Swamy is saying.

*(Interruptions)\**

MR. CHAIRMAN: Hon. Members, I am sorry to say that if you behave like this, then nobody will be able to speak.

*(Interruptions)*

*[Translation]*

SHRI VIJAY GOEL: He is expressing his views.

MR. CHAIRMAN: There is a proper time for expressing views, I have given him much time.

(Interruptions)\*

[English]

MR. CHAIRMAN: The hon. Minister has to reply before 15.30 hours. Nothing is going on record.

(Interruptions)

MR. CHAIRMAN: You cannot do that. Please sit down.

SHRI C. NARAYANA SWAMY: Mr. Chairperson, I would not like to take much time of this august House since our Leader, the hon. Prime Minister has already expressed certain views regarding the proposal of the Government to look into the problems in the matter of foodgrain distribution and restructuring of the Targeted Public Distribution System in the country. I would only refer to certain aspects of the PDS. The foodgrains that are required for distribution under the system are mostly procured by the Food Corporation of India in many States with the cooperation of the State Civil Supplies Corporations. I have time and again said in this august House that the foodgrains now supplied under the system are mainly rice and wheat in addition to sugar, kerosene and edible oil. There are areas in our country where food habits of the people differ. There are places where wheat is not consumed by the common man.

I come from the State of Karnataka where the food of the local people is *ragi*. *Jowar* is also consumed in certain part of the country. I believe *jowar* is consumed in parts of Maharashtra also. I would urge upon the Government, especially the hon. Food Minister to see that these foodgrains are made available to the people under the system. This will benefit the people in two ways; one, people will get the foodgrains they want; and two, when both the Centre and the States procure foodgrains, the farmers growing these foodgrains will be benefited. Then they get remunerative price for their produce. Before the public distribution system is streamlined, the operations of the Food Corporation of India must be streamlined. There have been many complaints about the functioning of this Corporation. Food Corporation procures, stores the foodgrains and distributes foodgrains to different parts of the country. The wholesale nominees in different States take delivery of the foodgrains through the godowns of the Food Corporation of India. In most of the cases—I have personally come across instances because I was heading the Food and Civil Supplies Corporation of our State for some time—sub-standard foodgrains are issued from the FCI godowns to the wholesale nominees in the States. There were allegations—I feel some instances were also true—that foodgrains of a substandard quality, foodgrains which were declared unfit for human consumption and which are supposed to be disposed of for non-human consumption for poultry and dairy purposes are also distributed to the wholesale nominees for public distribution.

This anomaly has to be set right. These allegations must be looked into.

And there is a glaring problem of adulteration. Kerosene that is released for distribution in the country is in sufficient quantity in many places is adulterated with other petroleum products. Much of the kerosene that should go to the families living below the poverty line through the PDS is being adulterated with other petroleum products especially petrol and diesel. I feel there is a collusion of the Department. There must be coordination between the Centre and the States especially with the Ministry of Petroleum, Food Departments of the States and also the Department of Weights and Measures which are expected to certify the quality of the petroleum products.

Edible oil is also misutilised and it reaches the private oil mills in many cases. In Karnataka, an effort was made to supply edible oil in sachets. Now that this PDS is introduced throughout the country, oil should be supplied to the families in a container with sachets so that it is not adulterated.

Another aspect is about monitoring and supervision of the distribution of foodgrains including kerosene. Now, there is a provision stipulated for setting up Vigilance Committees at various levels. The local bodies both in rural and urban areas like the panchayats, the municipalities, the corporations, the elected representatives in these local bodies, must be completely involved in the matter of distribution and supervision of the essential commodities. Sometimes the problem comes when allocation is made to a particular State. It was referred to yesterday also. There is a shortfall in lifting of foodgrains. The reasons for this are many. There should be credit facilities made available to the wholesale nominees who are expected to lift the commodity from the godown and distribute to the fair price shops or the retail vendors. This has to be looked into.

Moreover, there has been a delay in the release of subsidy amount by the Centre. The transportation cost involved in this, has also to be reimbursed to the State Governments. There has been many instances of delay in the release of funds to the States. This has been causing delay in lifting of foodgrains allocated to them.

These are some of the points I would like to make and I am sure, the hon. Food Minister will look into these matters personally. While restructuring of PDS is done, the other issues relating to procurement, storage and also distribution through the wholesale nominees, should also be taken into consideration.

[Translation]

SHRI RAM KRIPAL YADAV (PATNA): Mr. Chairman, Sir, today we are discussing a very important issue. The Government intend to supply foodgrains to the poor people through Public Distribution System. There is no doubt in it, that this system was started with a good motive but as some hon. Members have rightly said that this system is not working and proper supplies of food are not being

[Shri Ram Kripal Yadav]

made. The Government should definitely give it a serious consideration. We cannot save our skin by simply saying that the responsibility of supplying foodgrains to poor rests with the State Government only. The Central Government should make such an arrangement which may ensure its control over the system upto some extent so that the aim behind this system could be achieved. The Government so far has taken a number of measures. Recently the United front Government have taken certain measures to supply ration to the people, living below the poverty line. The Government have been spending a lofty amount on this account and also taken initiative in this direction. But I would like to know from the hon. Minister whether or not cards have been issued under this system? If cards have been issued under this then the number of those states where these have been issued and whether the proper distribution of foodgrains is being done? If you kindly provide data in this regard also then it will be good because through cards ...*(Interruptions)*

SHRI ILIYAS AZMI (SHAHABAD): The rate of card has also increased ...*(Interruptions)*

SHRI RAMKRIPAL YADAV: Even the proper distribution of cards is not being done. The objective of providing ration to poor at half rates is unfulfilled, therefore, the Government should take it seriously and take some concrete steps in order to provide ration to the poor, for whom the Government have made available a sum of Rupees 8000 to 9000.

I would also like to submit to the hon. Minister that about 54 per cent population of Bihar live below poverty line. They even lack a shelter and even after toiling hard the whole day they are unable to make their both ends meet. The number of such persons is 86 lakhs in Bihar. We find that the Central Government have adopted two different view points. Even such situation exists in the cases of most backward areas of Bihar and Orissa, where most of the people live below poverty line. I would like to cite an example in this regard, the Government provide seven litres of Kerosene oil for each person in Bihar and Orissa, whereas in other states it provide 10, 11 and 12 litres per person. Why such step motherly treatment is being meted out with Bihar and Orissa. I urge upon the Government to shun such practice and instead adopt uniformity, in dealing with states so that more and more facilities could be provided to the poor. There are many lacune in the distribution system of P.D.S. Just now Joshiji was talking about large scale corruption. Our Government is determined to root out this corruption. Joshiji demanded that the Government should furnish details about the action taken in this regard. By doing this you can satisfy the House. Such lacune need to be removed. You have been an honest and industrious Minister and you are known for this. I believe that you would work towards removing allegations levelled against you during your Ministership so that you may provide a neat and clean administration to the people of this country and also to distribute foodgrains properly.

Sir, there are some practical difficulties in the distri-

bution system and P.D.S. The shopkeepers get a meagre commission under P.D.S. Which is a cause of corruption. If you want to ensure proper distribution then you will have to give it a consideration. Unless you became practical you cannot stop large scale corruption. They are bound to adopt unfair means. Besides, there is an alarming increase in bogus cards as a result of which ration cannot be distributed properly and moreover the foodgrains are sold in the black market. I would urge upon the Government to consider such things and remove the shortcomings. By taking account of the feeling expressed by our Prime Minister, steps should be taken for the upliftment of the people. Living below the poverty line. Our United Front Government is determined that no poor person will die due to hunger. You are requested to work with this spirit so that ration could be provided to the poor.

In the last, I would like to submit that the Government would take steps to remove these shortcomings mentioned by the hon. Members. With these words, I hope that Government would take effective measures to streamline the PDS keeping in view its importance so as to provide relief to the poor.

SHRI RAMBAHADUR SINGH (MAHARAJGANJ): Mr. Chairman Sir,—PDS is meant for public in general. The object behind it is to facilitate the consumer.....

*[English]*

MR. CHAIRMAN: Since it is nearly 3.30 p.m., I would take the sense of the House that after Shri Ram Bahadur Singh finishes his speech, till the Minister's reply is over, this subject will go on.

*(Interruptions)*

MR. CHAIRMAN: I am just asking the House. If all of you start speaking together, then whom am I speaking to? I have just asked you.

*(Interruptions)*

MR. CHAIRMAN: He is the last speaker before the Minister replies to the debate. Therefore, if the House allows, then I would like to extend the time for this debate till it is finished and then take up the Private Members' Business.

SHRI JAGAT VIR SINGH DRONA (KANPUR): At 3.30 p.m. the Private Members' Business should be taken up and there should be no disturbance to it.

MR. CHAIRMAN: If that be so, then Shri Ram Bahadur Singh will speak for two minutes now and then we will go over to the Private Members' Business.

*(Interruptions)*

MR. CHAIRMAN: Just have a look at the clock. There are only two minutes left.

*[Translation]*

SHRI RAMBAHADUR SINGH: Sir, two minutes time is insufficient. I have to take up a number of issues.

*(Interruptions)*

MR. CHAIRMAN: Parliamentary Business would be taken up at 3.30 pm.

*[English]*

It is 3.30 p.m. now. The House will take up Private Members' Business now. After that is finished, at six o'clock, this discussion can be continued.

SHRI JAGAT VIR SINGH DRONA: Madam, today is a Friday and hon. Members would like to go soon.

MR. CHAIRMAN: We will settle that at that time.

SHRI VIJAY GOEL: Already, there is no quorum.

MR. CHAIRMAN: Nobody has raised the issue of absence of quorum.

SHRI JAGAT VIR SINGH DRONA: And, nobody will raise it. ...*(Interruptions)*

My submission is this. Today is a Friday and we have to go to our constituencies. ...*(Interruptions)*

MR. CHAIRMAN: I understand the problem. Let us finish the Private Members' Business first. After that, the House can take a decision. All the Party Leaders have agreed to sit up to seven o'clock daily.

SHRI JAGAT VIR SINGH DRONA: That decision was not to be applied in respect of Fridays.

*[Translation]*

SHRI RAJENDRA AGNIHOTRI (JHANSI): Sir, This is a very important issue. ...*(Interruptions)*

*[English]*

MR. CHAIRMAN: I was present in that meeting when that decision was taken.

Anyway, the House will take up Private Members Business now. I now call Shri Surendra Yadav to move his motion.

15.31 hrs.

*[English]*

MOTION RE: ELEVENTH REPORT OF THE  
COMMITTEE ON PRIVATE MEMBERS'  
BILLS AND RESOLUTION

SHRI SURENDRA YADAV (KHALILABAD): I beg to move:

"That this House do agree with the Eleventh Report of the Committee on Private Members' Bills and Resolution presented to the House on the 6th August, 1997."

MR. CHAIRMAN: The question is:

"That this House do agree with the Eleventh Report of the Committee on Private Members' Bills and Resolution presented to the House on the 6th August, 1997."

*The motion was adopted.*

15.32 hrs.

PRIVATE MEMBERS' BILLS INTRODUCED

(i) High Court of Gujarat (Establishment of a permanent Bench at Rajkot) Bill\*

*[English]*

SHRI DILEEP SANGHANI (AMERELI): Madam, I beg to move for leave to introduce a Bill to provide for the establishment of a permanent Bench of the High Court of Gujarat at Rajkot.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill to provide for the establishment of a permanent Bench of the High Court of Gujarat at Rajkot."

*The motion was adopted.*

SHRI DILEEP SANGHANI: I introduce the Bill.

15.33 hrs.

*[Translation]*

(ii) Siddheswar National Technical University Bill\*

SHRI LINGARAJ VALYAL (SOLAPUR): Sir, I beg to move for leave to introduce a Bill to establish and incorporate a University at the National level for the promotion of technical education and for matters connected therewith or incidental thereto.

*[English]*

MR. CHAIRMAN: The question is:

"The leave be granted to introduce a Bill to establish and incorporate a University at the National level for the promotion of technical education and for matters connected therewith or incidental thereto."

*The motion was adopted.*

*[Translation]*

SHRI LINGARAJ VALYAL: Sir, I introduce the Bill.

15.34 hrs.

(iii) Constitution (Amendment) Bill\*  
(Amendment of article 311)

*[English]*

SHRI BASU DEB ACHARIA (BANKURA): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

\*Published in the Gazette of India, Extraordinary. Part-II Section-2 dated 8.8.97.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI BASU DEB ACHARIA: I introduce the Bill.

15.35 hrs.

(SHRI BASU DEB ACHARIA IN THE CHAIR)

[Translation]

**(iv) Constitution (Amendment) Bill\***  
**(Amendment of article 58 etc.)**

SHRI GEORGE FERNANDES (NALANDA): Sir, I beg to move for leave to introduce a Bill further to amend the constitution of India.

[English]

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

[Translation]

SHRI GEORGE FERNANDES: Sir, I introduce the Bill.

15.35 1/2 hrs.

**(v) Constitution (Amendment) Bill\***  
**(Insertion of new article 151A, etc.)**

[English]

SHRI G.A. CHARAN REDDY (NIZAMABAD): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI G.A. CHARAN REDDY: I introduce the Bill.

15.36 hrs.

[Translation]

**(vi) Compulsory Physical Education and sports Bill\* 1997**

[Translation]

SHRI VIJAY GOEL (SADAR-DELHI): Mr. Speaker, Sir, there is a mistake in it. Kindly correct it.

MR. CHAIRMAN: What is the mistake?

SHRI VIJAY GOEL: Compulsory Education has been written in it. Infact it should be Compulsory Physical Education.

MR. CHAIRMAN: There is Compulsory Physical Education, written in it.

SHRI VIJAY GOEL: This is written in English version but here I am referring to the Hindi version. It may be corrected.

MR. CHAIRMAN: Alright.

SHRI VIJAY GOEL: Sir, I beg to move for leave to introduce a Bill to provide for Compulsory Physical Education and Sport Training to all students and matters connected therewith.

[English]

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill to provide for compulsory physical education and sports training to all students and for matters connected therewith."

*The motion was adopted.*

[Translation]

SHRI VIJAY GOEL: I introduce the Bill.

15.36 1/2 hrs.

**(vii) Constitution (Amendment) Bill\***  
**(Insertion of new article 9A)**

[English]

SHRI G.A. CHARAN REDDY (NIZAMABAD): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI G.A. CHARAN REDDY: I Introduce the Bill.

[Translation]

15.37 hrs.

**(viii) Constitution (Amendment) Bill\***

**(Insertion of new article 31)**

[English]

SHRI CHITTA BASU (BARASAT): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI CHITTA BASU: I introduce the Bill.

15.37½ hrs.

**(ix) Constitution (Amendment) Bill\***

**(Insertion of new article 74A, etc.)**

SHRI CHITTA BASU (BARASAT): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI CHITTA BASU: I introduce the Bill.

15.38 hrs.

**(x) Constitution (Amendment) Bill\***

**(Substitution of new article for article 48A)**

SHRI CHITTA BASU (BARASAT): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI CHITTA BASU: I Introduce the Bill.

15.39 hrs.

**(xi) Constitution (Amendment) Bill\***

**(Amendment of Article 239 AA)**

SHRI KRISHAN LAL SHARMA (OUTER DELHI): Sir, I beg to move to leave to introduce a Bill further to amend the constitution of India.

[English]

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

[Translation]

SHRI KRISHAN LAL SHARMA: Sir, I introduce the Bill.

15.40 hrs.

**(xii) Jamia Millia Islamia (Amendment) Bill\***

**(Amendment of the Long Title, etc.)**

[English]

SHRI G. M. BANATWALLA (PONNANI): I beg to move for leave to introduce a Bill to amend the Jamia Millia Islamia Act, 1988.

MR. CHAIRMAN: Motion moved:

"That leave be granted to introduce a Bill to amend the Jamia Millia Islamia Act, 1988."

[Translation]

SHRI VIJAY GOEL (SADAR DELHI): Mr. Chairman, Sir at the time of discussion on this Bill. I will express my views.

[English]

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill to amend the Jamia Millia Islamia Act, 1988."

*The motion was adopted.*

SHRI G.M. BANATWALLA: I introduce the Bill.

15.41 hrs.

# ABOLITION OF BEGGING BILL CONTD.

[English]

MR. CHAIRMAN: Now we will take up Item No. 22, namely, further consideration of the motion moved by Dr. T. Subbarami Reddy on the 2nd May, 1997.

The time allotted for this Bill was two hours. The time taken is one hour and three minutes and so, only 57 minutes are left now.

Shri K. Parasuraman may speak now.

[Translation]

\*SHRI K. PARASURAMAN (CHENGALPATTU): Mr. Chairman Sir, I am thankful to you for giving me an opportunity to speak on the Bill moved by Dr. Subbarami Reddy. I welcome the Bill that seeks to abolish begging. I would like to offer my views on behalf of Dravida Munnetra Kazhagam. This is a very good move. But we must have to see how the Centre can approach this problem and implement this programme. This is a very big menace.

Begging is an abominable and disgusting an act. How this begging has taken its roots in our country? Illiteracy, unemployment, lack of education, social deprivation and caste-conflict-menace have forced many people to seek recourse through the job of begging. we do not have considerable number of our country's population as educated mass. Literates are less in number. Backward sections of the society living in the slum areas are more. We have backward classes and the most backward classes apart from the Scheduled Castes and Scheduled Tribes and social stratification has also contributed to this menace of begging. Our plans and schemes aimed at helping deprived classes and people who live below the poverty line do not really percolate to them. The Government should set up shelters to these people who seek to begging and must help them to maintain themselves. Only then we would be able to reduce the incidence of begging. In Tamil Nadu, this deplorable and mean job of begging has been coming down in the recent years. In Tamil Nadu, Beggars' Rehabilitation Homes have been set up in certain places. Still the need to have the Beggars' Home in every district is felt. This kind of shelters as a social measure should be set up in all the districts. All those found begging should be brought to these houses for social rehabilitation. They should be segregated according to their age group like youth, children, women, mothers among them and the aged. Suitable training and jobs should be given to them according to their capability. They should be provided with an opportunity to seek a livelihood and gainful employment. Such shelters should help these people to give up begging. They should be helped to help themselves to improve their living conditions. Then only we would be able to curb this menace. For this purpose, the centre should allocate sufficient funds to the States.

Apart from that the children among them should be

given education and others should get literacy. Suitable job trainings should also follow. Such people should be kept in such 'Homes' for three to five years. Then the employable among them should be picked up and should be put in jobs. Physically handicapped people and other disabled people like women should be maintained by such 'Homes' which could be their shelter for life. They should be given an opportunity to lead a normal life with a livelihood. In certain foreign countries like UK, Germany and Japan we find a different situation. The dole given by the Governments there as 'Unemployment Allowance' are also avoided by the unemployed people. They consider it to be below their dignity. They think it would be mean to accept the dole. They shun anything that comes free. The youth there consider it an insult to their dignity. This kind of attitudinal change should come about in our Indian society too. We should change the attitude of our people who resort to begging. We should educate them. We shall give them job training. We should help them to get sustainable livelihood.

The tourists from foreign countries take the photographs of our children and others taken to begging. These beggars are photographed by them and they take those pictures to show it to their people thereby painting a dismal picture of India as a poverty stricken country. Some of them even make use of the generosity of those who see those pictures and feel pity for the poor. Even our own people, the inland tourists take these pictures abroad and project our country as an economically backward country. Some of them even make money out of this negative publicity. They spread a wrong information that poverty in India is at its height and the beggars are rampant. They get donations from the generous foreigners and they make use of those funds for their prosperity. At the same time they do not do anything to mitigate the sufferings of these poor people who are totally helpless and desperate. This will only increase the incidence of begging and the number of beggars may swell. Our people who take to begging must realise that 'it is not right and correct a thing to beg for a living; it is insult to our human dignity'. Our Government must take right steps in this direction to change the attitude of our people and their plight. We must provide them with basic amenities to lead an honourable life. We must seek recourse through industrialisation. More and more of industries should be set up to provide job opportunities to many. We must endeavour to give them better living conditions. we must strive to life them up in life to have sustainable means of income to fend for themselves. Expressing my support to this Bill once again, I conclude my speech.

PROF. OMPAL SINGH 'NIDAR' (JALESAR): Mr. Chairman, Sir, I rise to support the motion moved by Dr. T. Subbarami Reddy "that the Bill for abolition of begging and the matters connected or incidental thereto may be taken into consideration".

Sir, the evil of begging is thriving in the country for a long time. Begging is a matter of shame for our

\* Translation of the speech originally delivered in Tamil.



administration, system, society and people. The main reason is lack of economic resources. In addition to above, the growing population, unemployment and unequal distribution of resources in the country are other important factors, about which it could be said that these might have contributed towards thriving of beggary in the country. Another reason could be psychological bent of mind. Further there are lakhs and lakhs of persons in the country who want to earn money without making any efforts, sweating, and without making any risk. People of such psychology resort to begging. I have come across beggars who own upto two or four houses and their children go to reputed colleges and schools. Without naming any particular caste, I would like to mention that there are certain castes in our country whose only vocation is begging...*(Interruptions)*

SHRI RAM KRIPAL YADAV (PATNA): If you do not have any fear, then do name such castes.

PROF. OMPAL SINGH 'NIDAR': I do not fear anything because none of them inhabits in my constituency. However, when it has already been mentioned here then I have got no hesitation on dwelling on it further. There is a prominent saying in our country...*(Interruptions)* I do not mean this. There are certain castes in our country who indulge in such practice. Pockets of such type are found all over the country. They have not given up such a practice despite religious conversion. They take pride in their old family vocation. We too have also not been able to change our old habit of shelling out money as charity in the belief of improving the future. We people do not try to reform the society. I would like to submit that the practise of begging and our approach towards it does not have only social and religious bearing but also on the Administration and Government. I would like to dwell on it in detail. It is fact that in the absence of resources, employment avenues and money, the poverty will be deep rooted and this will give rise to begging. We can see all this in our society but going about with a begging bowl or asking for crumbs is no remedy. There are beggars of all hues. Few days back, I read that a beggar drives on scooter from Jhansi to Orchha and Khajuraho to Jhansi. So you can very well visualise the condition of that beggar. I also read somewhere that on searching the belongings of a beggar after his death, it was found that the beggar had a bank balance of rupees one lakh in the State Bank of India.

SHRI JAGAT VIR SINGH DRONA (KANPUR): Beggars also travel by Air.

PROF. OMPAL SINGH 'NIDAR': I am coming to it. This is the state and a probing they say 'what is wrong if little effort reaps in maximum rewards.' without any effort every gain comes the way. This tendency is gaining in strength day by day and in fact now our Government is also resorting to it. I am not referring to the present of the previous Government, but in general that it is very shameful state that only in one particular field we are placed at number eight in the world while in the field of begging we are number one in the world. Regarding debt, I would like to

say that in fact liberalisation is nothing but running deep into debt. Therefore, I would like to submit that the issue of tackling of beggary in the society could be deferred at the moment, because the crucial point is that our country is also going around begging with a begging bowl in the name of grants.

SHRI JAGAT VIR SINGH DRONA: Give in the name of God.

PROF. OMPAL SINGH 'NIDAR': The approach was definitely bringing something into the country. However, at present the Government with whom we are also associated, goes around with not one bowl but a number of bowls, whose size varies proportionately with the size of the country. This is a very unfortunate scenario, because the people draw inspiration about begging. People are toeing the Governments path. However, it is believed that in a democracy the king should be like the masses, but the contrary is proving to be correct. In our country maximum gains could be fetched through unfair activities. Further, nothing sacrosanct could be heard in this regard. If a question abhorring begging is put to anybody who is physically fit and strong and can toil in the fields for earning livelihood, then it is more likely to be whisked away in laughter. Argument is given when the Government is doing such a thing then why we should not toe the same line. First Government should stop doing such things. Situation has come to such a pass that giving sermons has lost its sanctity because if a petty thief is advised against theft, then it is more likely to be brushed aside with the argument that when the Prime Minister's probity is under cloud, so why advise me.

So, at present wherever and in whichever form begging prevails in the country, it is a blot on us and must be removed. We need to remove this evil practice not because of any emotional feelings, but in practical. Mere preachings, cajolery and giving sermons is not going to have the desired effect. We need to tackle the root of the problem, otherwise begging cannot be abolished. Strong determination is required for tackling the roots of the problem. In this regard, there is no place for words like if, so, therefore etc., because without pause it needs to be removed spontaneously. If we strive to solve it slowly and gradually, then it is impossible.

The Government alone cannot take such decision, it also requires the will power as well as character of law enforcing officers. Not only administrative officers need to cooperate in it, but also the society as whole should take initiative in this direction.

We will have to make difference between reverence and begging, donation and begging because beggar goes begging door to door while we donate on our own. The Government as well as our friends and society as a whole should consider these basic points and take a hard decision in this regard. Let the beggar threaten to curse you but tell him in plain words that instead of cursing he should try to earn his bread first.

[Prof. Ompal Singh 'Nidar']

It reminds me a story of my childhood, which is very much true. My colleague, Shri Prahlad Singh Patel, member of Parliament from Sivni is sitting here. He is a native of Gotegaon. Once, I went to Gotegaon to participate in a Kavi Sammelan and confronted a beggar. In those days, currency of 5 to 10 paise coins was there. I gave him a 10 paise coin. He refused to take it saying that it did not fetch anything. On further enquiry, he desired to have a cup of tea. Then I gave him a one rupee, he said one cup of tea cost Rupee One, what about you. The point which I want to substantiate is that situation has deteriorated to this extent that he begs and even talks conceitedly.

To my mind, this involves the question of mentality of people; therefore we have to wage a fight on economic, social, mental and legal levels. It is a matter of shame for us that a foreigner visiting Taj Mahal finds a group of beggars there. One could well imagine about his impression about it. The same thing happens when he visits Haridwar, Benaras, Gaya, Nathdwara or Balaji in South India, the image of India as well as the reverence, which attracts him to this country, are lost immediately.

16.00 hrs.

Mr. Chairman, Sir, if we want to abolish begging, then we will have to do away with the tendency of the beggars. In order to achieve this objective, first of all we will have to check the population menace so that people are not forced to begging. If due to some reasons population explosion takes place then we should make efforts to ensure that no person is forced to begging. We should provide some sort of employment to every countryman and suitable amendments to this effect should be made in the Constitution. If the Government is not able to provide employment to everybody then it should bear the responsibility of providing food, clothes and shelter to everybody.

Mr. Chairman, Sir, due to our religious tendency we give alms to each and every person who comes in the garb of saint be it a dacoit or a cheat, we will have to put a check on such tendency. If someone is a genuine saint, then out of reference we will certainly make offering and donations but we will never give alms to the beggars. Without fearing about the curse and religious feelings, we will have to take a hard decision with our own conscience.

Mr. Chariman, Sir, with that we will strictly have to follow the rules made for the abolition of begging at the administrative level. Our Government, Lower House as well as Upper House will also have to go in for this rule and take a decision that besides punishing beggars we should also make efforts to impart them some sort of vocational training or work towards changing their tendencies so that our country may get rid to this begging.

Mr. Chairman, Sir, this is an important question. One should not ridicule it. This is not going to harm the humanity either. We know that at present, people do not have such ideals as to sacrifice their lives for the sake of country. People love to live similarly they also love their children.

They are forced to begging so that they may get food for their children. The Central Government, the State Government and the society should jointly consider their helplessness. We should create such situation that people are not forced to take it up as their profession.

There are two types of situation. As I have told you that I have seen quite a number of beggars who are well off but they are not ready to quit this profession. They do not want to quit their unfair means. Making claims in favour of morality and raising slogans to eradicate social evils is an easy task. In fact, we should try our best to ward off such social evils. We should not let social evils develop in ourselves as well as in our homes. Naturally the poor will follow the suit. Our style of begging may be a refined one but ultimately fact and feeling remain the same. I, therefore, through you, would urge the House, the country, my colleagues, the society and demagogue of religion and morality and the persons involved in such activities ...*(Interruptions)*

SHRI RAM KRIPAL YADAV: You should also include yourself.

SHRI OMPAL SINGH 'NIDAR': I do not give alms. Anybody can try. Most only at the level of the person who begs at Railway Stations or bus stands but at everybody's level we will have to strike hard to get such a position where we may give to other but should not have an inclination for asking for anything...*(Interruptions)* I am talking about the government also. We should try to achieve such a position so as to become an economic super power in the world. Power in the field of culture, economy, politics and morality. Otherwise, if we continue to encourage begging then we will not be able to make any progress. Our country will be ashamed of this and no self respecting person would like to be a part of it.

SHRIMATI BHAGWATI DEVI (Gaya): Mr. Chairman, Sir, I support the Bill on begging introduced in the House. There are two types of beggars in the country—first category consists of those who are forced to beg due to their financial difficulties and the other one comprises those who go in for begging by creating fear in the name of God that if you do not give alms, your next life will be spoiled. Beggars sit alongside the road. They do not have shelter of their own. If shelter and employment is provided to them, they would give up begging. The beggars of high standard are begging under the guise of Sadhus by preaching that if you give alms, you will go to heaven. Constant vigil needs to be kept on them. Some beggars kidnap children and forced them to resort to begging. They maim them, make them sit on a trolley parked at a particular place and force them for begging. They even kidnap the educated children off well of families.

I would like to submit that many people are engaged in the profession of begging. We should put a check on it. Government also beg from other countries. There are Anganwadis in our area. Mukhya, Sarpach and other influential people avail of the facility of ration provided to the children. Their daughters, wives teach the poor children

Who is consuming milk, partridge meant for these institutions? I think that if an enquiry is conducted in this matter, many people would go to jail and then they would realize the sin they are committing. All that we got during 50 years of independence is poverty, unemployment, helplessness and killings of the poor. Poor people are still being killed. For what? If we do not help party members, they come to our village with arms and stay there in order to loot us we did not help them, we did not provide them food in the night, they killed 10 people and spread rumour that those killed were naxalites, criminals. This is that happening in the country.

You know that arms were dropped in Bihar on large scale. Our country has got radars, we have a department of intelligence and despite that an aircraft entered the country's airspace and dropped the arms in our state, Bihar. It is being said that they are in jail and one day they were being shown on T.V. Is it not the fault on the part of the Government.

I would like to submit clearly that if all the states are lightened on this count only then it is possible. When the vehicle with criminals escapes, then a wireless is flashed saying that the vehicle of this number is carrying, so and so types of arms, everything is being smuggled. Are the Department of intelligence and the Department of Police getting their salary for it? Officers and other facilities have been provided, yet criminals escape. Instead of helping the poor, the Government is putting burden on them. What type of human face the Government have? How can you save the country. Government should help the poor people in the villages. Our hon'ble Minister used to say that she would bring prosperity among the poor people who were realising under the poverty for centuries. She is not present in the House hence I should not speak about her but she should remind that she had stated so. I think her intention was to aggravate the situation of poverty.

Prosperity has not been brought so far rather poverty is prevailing for centuries. Therefore, I demand that the Government should prevent the practice of begging. Shelter should be provided to the people living below the poverty line and houses be constructed on the surplus government land which has not been covered under the ceiling. I believe that if all the facilities are provided to them they would not be forced to resort to begging.

There are two types of beggars in our country. Some are forced to resort to begging but those who are begging by preaching about heaven and hell after rebirth, a constant vigil should be kept on them. They are begging on the pretext that they would send you to heaven, that you will be born as human beings in the next life. They say that your birth in a particular family is a great happening and hence give more and more donation. Therefore, I would like to make it clear that land grabbers and capitalists should be reformed so as to check begging. On the one hand foodgrains is spoiling while on the other hand people are dying of starvation. Hence arrangement should be made to feed them and their rights should be restored to

them. If we do not provide rights to them, it is meaningless to celebrate the 50th anniversary of independence and the amount being spent on the celebration would go waste.

With these words, I conclude my speech. It is our bounden duty to remove poverty. If poverty is not removed in the country, it would be meaningless to celebrate the 50th anniversary of our independence.

SHRI SATYA PAL JAIN (CHANDIGARH): Mr. Chairman, Sir, I think there is no difference of opinion on the support and the spirit of the bill on begging introduced by our colleague.

Before me Shrimati Bhagwati Devi and Shri Nidar has expressed their views and I feel that we can divide beggars in two main categories. One who are begging due to their financial hardships. We should think about them differently. The other category consists of those who are not actual beggars but they indulge in the economic offences under the guise of begging. These people are involved in the crime of abduction of children at some places and at some other places they are committing economic offences. If we consider this problem after categorising the beggars in these two categories, I think we can find proper solution to this problem. First of all, I would like to mention the point which was raised by Bhagwati also. A few days ago I got an opportunity to go to Varanasi on behalf of Bhartiya Yuva Janata Morcha, I had gone there four years earlier also. Principal of a Christian school who is my friend told me that a racket was operating there, they bring children of poor families to weave carpet. You know that small fingers are better suited for weaving the carpets. Hence these people bring these children at the age of six-seven years. The inhale cotton waste during the weaving of carpet and they fall prey to fatal diseases like T.B. at the age of eight-ten or twelve years. 90 per cent children are in the grip of such fatal diseases. They get these children from their parents by merely paying eight to ten thousand rupees because they don't get nutritious diet. They don't get sufficient meal and as a result they fall victims to diseases and are not able to work any more. As such, the owners remove them from their work. Thereafter they maim them and leave them in front of a temple, Gurdwara, Church or any other religious place for begging and whatever money these children collect from begging, these contractors take this amount from them in the evening and you can imagine what kind of food they provide to them. I take that it is the height of subhumanity. There can be no other heinous crime towards society. Despite this, we don't want to take any action against these people. Government should take stern action against these Mafia groups who are engaging such children in begging irrespective of whether the person involved is influential person or he belongs to any party. Such people should be exposed as they are playing with the lives of small children and giving inhumane treatment to them.

In this connection, I would like to cite an example. A serial named "Rag Darbari" was telecasted on Doordarshan for about one year. In that serial a poorman had land

[Shri Satya Pal Jain]

dispute and he had to visit court again and again so as to obtain the copies of the documents pertaining to the land. But at last he was compelled to beg and he died a beggar. Our existing system also does not pay its attention towards common man and poor people due to which they are forced to begging. Stern action should be taken against such people in order to abolish the tendency of begging and at the same time steps should also be taken in the case of these people who are forced to begging due to their financial hardships.

Balwant Singh Ramoowalia is sitting here. He is my good friend. There is a place named Katkapore in his district. Ten years ago R.S.S. and Sewa Bharati established a Ashram there. The children of lepers and beggars are brought to this Ashram in the age group of seven to eight years after separating them from their families. As a result, they are saved from begging and secondly, they do not fall prey to leprosy because it is not a communicable disease. Free education is provided to them there.

In my parliamentary constituency Chandigarh too there is a lepers home. Such patients who are in the grip of this disease live there and there is proper arrangement for their children. Government also provide assistance to them so that their children do not get involved in begging. In this way, this disease does not spread on large scale and it creates self-confidence among these people that if they get proper treatment and proper arrangements are made for their food, there is no need for begging and they can lead their life without it.

I request the hon'ble Ramoowallaji that if he has not gone to this home, he should spare some time and visit there and set up such home in other places also so that the children of these families could be kept there. Government should establish lepers' homes on the line of the one at Chandigarh in the remaining parts of the country so that instead of begging lepers can be treated properly in any place and the tendency of begging could be stopped.

Secondly, unfortunately in our country the aged people do not get due regard in their families any more. This problem is more serious in those families which are reeling under the financial constraints. You will see hundreds of heaved shaved old women in Vrindawan as their children, sons, grandsons leave them in these Ashrams on the pretext of taking them there for Darshan' and they are left with no option but to beg. Out of them some old women came from Calcutta, Mumbai and Amritsar. If a Ashram is set up for such women, it would prove helpful to contain begging. Our city Chandigarh has an old age home where such people stay. I have visited there. I have written to the Government and I request Shri Ramoowalia Saheb that such people from various parts of the country can be settled there. Most of these people are prosperous and if the Government pays attention towards them, May be that they are transfer their properties to the Government and it may be a source of income for the Government. If the Government pays head towards them at the stage when their children stop looking after them, they can

transfer their properties to the Government.

Thirdly, I would like to submit about child employment. You will find a child aged ten to eleven years working in every hotel and Dhaba in our country. Of you do not formulate a proper employment scheme for the children, there would be no option left for these children but to work in tea stalls, hotels and dhabas so as to earn their livelihood. They do not have any other means of earning and if the owner of tea stall or hotel removes them from their job, they are left with no option but to beg. Government should pay attention towards this problem. Everybody wants that children should not be exploited. But if you do not allow children to work in these places and if they are removed from their job, they do not have any option other than begging. Therefore, I demand from the Government that arrangements should be made for the livelihood of these children. Today we have talked about mid-day meal scheme for the children in the schools. Everybody knows how many children are getting mid-day meal. Today a report has appeared in a English daily 'The Tribune' published from our State that whatever foodgrains is provided to the children in a school of Himachal Pradesh, they take it to their home. These school going children belong to lower middle class. But the children of poor families who cannot go to school would work in tea stalls and Dhabas or hotels. The Government should think about the future of these children. If Government formulates any scheme for setting up the schools and to provide food etc. for the development of these children, I think it would prove very helpful to control the tendency of begging.

My last submission and I would conclude. Today the population of our country is increasing continuously. It is the root cause of all the problems of our country. Due to this increasing population none of our scheme would succeed. If the population growth is not controlled, all the schemes would prove futile whether you construct hospitals or schools. A hospital with the capacity of five hundreds beds was constructed but today five thousand patients are admitted therein. Similarly, a school is set up for one thousand children but twenty thousand children seek admission in it. Leave these triple matters. Today the students having secured 95 to 98 per cent marks do not get admission in medical college, B.A. or B.Com. It does not mean that a higher merit has been fixed. It is due to the increase in the population that these students do not get admission therein. As a result of this problem competition is getting tougher. Today you will find increasing population is the major problem everywhere whether it is bus or railway station. I request the Government and all the political parties that a concrete solution should be found out to control population after reaching consensus on the line of remaining issues. Joshiji has introduced his private member's Bill and it has been directed in many states that a person having more than two children can not fight any election and he can not get employment also. If we do not control the increasing population, you can imagine how explosive situation would becoming in our country. With these words, I conclude my speech and thank you for giving me a time.

[English]

SHRI HANNAN MOLLAH (ULUBERIA): Mr. Chairman, Sir, I support the Bill brought by our friend, Shri T. Subbarami Reddy who is not present today. It is relevant in this fiftieth anniversary of our Independence to discuss one of the basic problems of our society. India is known for its old culture, for its heritage, for so many glorious things as well as for begging. This is a very serious problem and this fiftieth anniversary of our Independence, we should ponder over it and formulate certain programmes so that we can eradicate this evil from our social system.

In our society, begging has a social and religious recognition. It is inherent in our religious system that if you give something to the beggar, you will gain something in your next life or you will reach the heaven. So, it is inherent in our religion and we have to understand that. Begging is as old as the religion is because we are accepting that we need certain beggars in the society. Otherwise, if we do not give some alms to them, how can we go to the heaven? Giving alms, according to our religion, is the way to go to the heaven. So, it is inherent in the religion itself. This evil is contained not only in our religion but in most of the religions. Most of the religions say that if you help the beggars, you will go to the heaven.

Secondly, it is inherent in our economic system. The society is based on exploitation. When wealth and property get accumulated in the hands of a few people and when more people are deprived of these, when the poorer sections of the people are forced to leave their employment, when they do not get land or anything, they are forced to resort to begging. So, the economic system is the second reason for this evil.

In our feudal society, we have failed to complete our land reforms. As you know, Sir, after Independence, we thought that about six-and-a-half crore acres of land would be surplus and would be distributed to the landless. But even ten per cent of that surplus land we could not distribute to the landless in fifty years. The real land reforms were conducted only in three or four States in the country but in most of the States, land reforms were not completed, and because of that, thousands of acres of land is concentrated in a few hands. If we could distribute that surplus land to the landless, a large number of people would have got their livelihood from those lands and they would not have been forced to go in for begging for their livelihood. So, this exploitation-based feudal system which we have inherited, is another reason for begging.

Then, thirdly, with the growth of capitalism, a new type of exploitation came. In the cities the *bastis* developed. We need poor people to work as servants who live in these *bastis*. Those who are living in the *jhuggis*, *jhompri*s and slums could not maintain their whole families and a section of their families is forced to go for begging for their livelihood family. That is also a system or an evil of this exploitation-based feudal and capitalistic system.

They are the basic things. Without eradicating the

basic reasons we cannot come out of it. My hon. friends who spoke earlier have also mentioned about other reasons. In this system a section of the people earn by forcing another section of people to beg. They are the criminals. It is a flourishing business they kidnap children and force them to beg. Recently, as you know, a very shameful incident has happened. Our children are kidnapped from our country and are sent to Saudi Arabia and other countries. There they are trained and forced to beg to earn something. A major portion of that earning goes to these criminal gangs who organise this type of business and the children also suffer in this way. This is also another reason, as has already been mentioned.

In our culture also we do not think begging is something wrong. Those who do beg do not feel ashamed. One thing is that there are economic reasons. But the cultural reasons are also there. We have to bring changes in all fronts. The economic measure should be there. We should have cultural measures, social measures, legal measures and administrative measures. All sorts of measures have to be put together and we have to evolve certain plans. Our Government has certain plans. We declared *Garibi Hatao* in 1971. Now, after 30 years, a large number of people are still living below the poverty line and out of them a portion comes for begging. Three crore children in our country are child labourers as mentioned by my hon. friend. A section of them, when they lose their jobs, is forced to resort to begging. In that situation our welfare programmes could not succeed. They were not successful in implementation. This is another problem during the last fifty years. The Government, in this 50th anniversary of our Independence, should ponder over these questions: why are our poverty alleviation programmes not succeeding? Where is the wrong? Why are we not able to eradicate this problem of child labour? Why are we not able to improve the life in the slums? why have we failed to stop this sort of life in the *jhuggis* and how to improve them to have better living conditions? why? The Government should ponder over all these questions in this 50th anniversary.

Education is also another area where we should concentrate. If we can educate our people then also they will be able to come out of this and go for earning to have better living. We have certain systems. We also have to evolve certain more systems. Whatever programmes the Government is implementing, they should be reviewed and examined whether they have succeeded or not. We have corrective homes; but those corrective homes are not functioning properly. We have vagrant homes which are not functioning properly. We have old age homes and other homes. Those are not functioning properly. They are not getting grants. Those who are running them are also stealing a portion of the money or the goods given for those poor people. They are stealing from it. All these things are there. The evils are there in the society. We have to have a comprehensive programme of the Government and the society together.

NGOs can also be involved in a big way. The political

[Shri Hannan Mollah]

parties should also put their heads together. In the 50th anniversary of our Independence, we should strengthen our poverty alleviation programme. We should also implement our programme for eradication of child labour. If we can successfully implement these programmes, we will be able to reduce the number of beggars, bring them to the mainstream of life, and give them some honourable life. This should be our pledge in this 50th year of Independence. We have failed to achieve this till now. Now, we have to come together and see that we eradicate these evils from our society.

[Translation]

SHRI AMAR PAL SINGH (MEERUT): Mr. Chairman, Sir, the notice given by me for the Private Investigators Bill, has lapsed for the second time during the Eleventh Lok Sabha. My submission is that the discussion on the present items should be wound up within the allotted time. Now only 20 minutes are left.

MR. CHAIRMAN: Please sit down. Four more hon. Members are listed and they are to speak. The time allotted for discussion on this Bill is already over.

[English]

If all the four Members can speak for five or ten minutes, it is okay.

[Translation]

SHRI AMAR PAL SINGH: My submission is that it might not lapse yet again.

MR CHAIRMAN: That can be accommodated. Merely by extending the time allotted for the Bill by an hour will leave us with sufficient time for your Bill to be taken up.

SHRI AMAR PAL SINGH: Mr Chairman, Sir, by that time it will be 5.45 p.m. Therefore, extend the duration by only half an hour and not more than that.

[English]

MR. CHAIRMAN: We can extend the time by 45 minutes.

[Translation]

SHRI NANDKUMAR SAI (RAIGARH): Mr. Chairman, Sir, I support the Bill moved by Dr. T. Subbarami Reddy. Many a factor are responsible for encouraging beggary in the country. For understanding the genesis of beggary we will have to first look at the Indian social system. I would like to submit that the self respect of a person engaged in begging naturally suffers. Therefore, a saying gained prominence in our society as to the novelty or otherwise of the professions that could be pursued in our society. The profession put at the highest pedestal in Indian society was agriculture. Second position was assigned to trade and business and the least importance was attached to job sector. Regarding begging it is said that nothing could be more demeaning than it as all the self respect and esteem and other virtues like reputation, respect and prestige take

a slide for the worse. There is a saying known as "Uttam Kheti, Madhyam Ban, Adham Chakri, Beekh Nidan". Therefore, nobody should adopt begging as a profession. Begging strikes a blow on the respect and prestige. Erosion of self-respect doesn't stand anyone in good stead. That is why it is said that begging must be discouraged. There is a saying which goes as "Aab Gaya, Adar Gaya aur Nairan Gaya Sneh, Ye Teeno Jabhi Gaye, Tabhi Kaha Kuchh De". Accepting anything as dole roles the person of all the virtues and qualities. I wonder how will the hon. Minister will check such a practice.

Shri Satya Pal Jain dwelt on family planning and population control. It is an important question. There is a saying in our society that the wealthy person can't go to heaven, comparison of such a person has been done with a camel forced to pass through the needle's hole. consumerism was never given encouragement in our country. Culture of consumerism is spreading that all over the country. Western culture is invading the country. Everyone is pre-occupied and engrossed in devising ways and means of minting money. This is the reason why the children have been forced to beg. The main reason is to amass wealth. Earlier the people involved in social service were held in high esteem. The inconsistencies which have crept into the society are to be understood. The persons engaged in good deeds and in setting the examples for others should not bother about their primary necessities, because it is the society which used to shoulders this responsibility. Students used to study in Gurukuls for graduation and they did not beg. Students used to acquire knowledge about how to make the country strong and prosperous and the nation a leading nation. They were known as Brahmins. All their requirements used to be taken care of by whole society and the nation used to bother about them while their only concern was how to attain eternal spirituality. Their primary worry used to be how to guide the nation towards prosperity, divinity and attainment of elevated position in the world. However, nowadays anyone puts on the saffron robes and starts begging. People out of inherent fears given them alms. People believe that without appeasing sadhus how can we will be able to earn 'punyas'. Earlier anyone guilty of cow-slaughter used to go for a dip in the Ganges. People did not consume home food, but used to beg during the period of penance. At that time atonement used to be key of life.

Nowadays old age homes are coming up, because nobody wants to look after and care for the parents. The Government is setting up old age homes and is also introducing old age pension. Our traditional ideology is "Matra Pitra Devo Bhavah." It was believed that parents are like Gods. Shraavan Kumar renounced worldly comforts and took his parents on pilgrimage. However, nowadays such things are being given the go-by. Parents marry off their children, but after marriage they forget to take care of the parents. They start living independently. The practise of looking after the parents in old age is losing ground. This is one of the main reasons for the growth in beggary. Such feelings and sentiments need to be revived all over again. Nowadays money has come to rule the roost.



Sir, time is short. I just want to submit that a campaign against consumerism needs to be launched. Stringent steps need to be taken for checking the practice of begging by children. People in saffron robes are indulging in blackmailing tactics for acquiring wealth. Steps must be taken to check this evil. Government of India is requested to enact a law to check such practices. I thank you for giving me the time.

SHRI SURESH R. JADHAV (PARBHANI): Mr. Chairman, Sir, I rise to speak on Abolition of Beggary Act, 1996.

Mr. Chairman, Sir, the act of beggary is not a new thing, it has been going on in this country for centuries. I would like to clarify one thing through you that there is a lot of difference between a beggar and a monk. Those who are helpless and have no self-respect, have no alternative except begging. In our country the children of Lord Rama could learn the art of archery only after begging, which was a must during the training. They begged in order to learn this skill. But there is a great difference in the practice of begging prevailing in that olden times and the modern period. Today we are going to Commemorate the Golden Jubilee anniversary of the Independence of India. After all, what are the reasons behind begging in our country? The number of beggars is increasing in lakhs day by day, why it is so? We should deliberate on it. I think destitution is the main reason behind it. Our culture, economic and social disparity and the present day politics of our country are responsible for it.

Mr. Chairman, Sir, we have attained Independence but we have not been able to alleviate the poverty in the country. Simply ignore beggars as if they don't exist, but on humanitarian ground, we must think about the pathetic conditions in which these people live? If there is power breakdown at night, we cannot sleep without fan, we are not able to sleep because A.C. is not working. But these beggars live on the platforms at railway stations and at the bus stands. They neither have the facilities like electricity toilets, water nor proper clothings and on the other side, the rich travel in cars along with their dogs and spend a lot of money on their dogs. We spin a long yarn in order to get the power, we talk of humanity, but when a beggar asks for alms, we rebuke him. I am not supporting the beggars but why people become beggars. This House and this government should ponder over it. I mean to say that do not eliminate the beggar, but eradicate beggary, do not eliminate the poor, eliminate the poverty and the beggary by which people become beggar. There are every type of beggars. My friend gave an instance of Child Shravan. In this connection, I have to ask that how many children are like Shravan in this Century. Our parents give birth to us. Our mother deliver us after keeping nine months in her womb. After that we get education and as we grow up we get married. After that we forget our parents. It seems that our cultural roots are not good. Our cultural roots should be good. Our virtues are being degraded, are losing our cultural roots. There is no comparison between child Shravan and us. Mr. Chairman, Sir, there is a need to set up old age homes for these destitutes. It is our tendency that when we become self-dependent, we forget

our old parents, we do not take care of them. Where these poor parents would go. Maharashtra is the only State in India where the Shivsena government and Bhartiya Janta Party alliance after coming in power, had fulfilled its commitments which they have made in their manifesto that if they come to power, they would set up an old age home in every district for helpless and old people and would take care of them. As per their commitment the Shivsena and the B.J.P Government in Maharashtra had built an old age home at a cost of rupees one crore in every district and these old people are getting the service in these old age homes which they cannot get at homes. The whole country should learn the lesson. I have to say that the Government has bigger responsibility. There is a need to take severe action against the inhuman elements who are guilty of taking advantage of poverty and helplessness of people and making them beggar by maiming and blinding them. There is need to take steps against this tendency which is raising its ugly head in our society.

MR. CHAIRMAN: Now please conclude.

SHRI SURESH R. JADHAV: Mr. Chairman, Sir, I want to tell more one thing. I myself visited China, Singapore, Thailand and North Korea in a Parliamentary goodwill delegation with the hon'ble Speaker. North Korea is more backward than India. I visited across the North Korea but I could not find even a single beggar there. I did not find any fat man who eats idly and had swollen up. I have not seen even a single beggar in Singapore and in Korea. Our increasing population might be a reason behind this. Therefore it is necessary to control the population also. We would have to take some severe steps to control the population. No one should be allowed to increase the population in the name of religion. If we are not able to check the population, the number of beggars would continue to increase. Whatever we speak in the House, whatever schemes we formulate on papers, we will not get success. Unless the number of beggars is decreased, beggary is not eliminated-these basic issues will remain there.

I, therefore, would like to request through you that we should take some concrete steps to eliminate beggary. As an honourable member has suggested here that we would have provide them bread and shelter, we would have provide them basic amenities as no human beings will resort to begging if he has any other alternative to earn his livelihood. Nobody want to give up his self-respect.

At the end, I would submit that while we are going to commemorate 50th Anniversary of our independence, we should take some effective measures to eliminate hunger of millions of beggars, to eliminate beggary from our country. With these words I express my gratitude to you for giving me an opportunity to speak.

[English]

SHRI DWARAKA NATH DAS (KARIMGANJ): Sir, I thank Shri Subbarami Reddy for introducing such an important Bill. Begging in ancient India was not looked down

[Shri Dwarka Nath Das]

upon, but rather a kind of respect was attached to it. People used to give alms and felt themselves honoured. But as the time went by, begging has become a profession and now it is a social evil.

Population in India has increased in geometrical progression and is now reaching an unmanageable figure of 95 crore of which 35 per cent is living below the poverty line. So, in such a situation, begging is a natural outcome to the poverty-stricken. Moreover, due to city civilisation, modern factories have destroyed the village and cottage industries and thereby shattered rural economy which accelerates begging to its present dimension. Further, I should say, people living below the poverty line are, so to say, half beggars because they take their morning meals and think about the evening as they have no source of income.

The Government is talking about rehabilitating beggars by providing them with gainful employment, but actually this is not being done. Nobody becomes a beggar by choice, rather it is the social and economic condition in the country which force them to beg. Government should identify each and every household at the grassroots' level and provide the poor at least with subsistence, that is, nobody should die of hunger.

It is seen that children are kidnapped and maimed by devilish men and then they are made to beg. Such people should be severely punished. It is strange that the police know nothing about these unscrupulous persons or their methods of maiming.

17.00 hrs

Sir, the existing laws against begging have failed to curb the swelling ranks of begging. In 1990, Parliament was informed that there were only 10,000 beggars in New Delhi but the actual figure was about 50,000.

There are beggars not only in India but also in advanced countries like U.K. and Spain. Economic compulsion is the main factor forcing the poor to beg. Therefore, unless equally attractive and honourable alternative is provided for, begging cannot be eradicated.

Sir, beggars generally throng in religious places particularly, in India, which looks very odd. So, I suggest that the Central and State Governments should take up an extensive survey of beggars throughout the country and adopt suitable means to eradicate begging *i.e.*, there should be beggars' homes providing employment amenities and training.

Sir, begging lowers dignity and honour of man as man. I feel beggars are a class by themselves living secluded from civilised society, devoid of social behaviour.

Therefore, in this 50th year of our Independence *i.e.*, the Golden Jubilee Year of our Independence, the

Government should take a vow to do away with begging from this country for ever.

17.02 hrs.

(MR. DEPUTY SPEAKER IN THE CHAIR)

[Translation]

SHRI GIRDHARI LAL BHARGAVA (JAIPUR): Sir, there could not be two opinions that begging is a crime. However, some beg out of compulsion. I too beg to you many a times, which is also a sort of begging. Similarly some persons indulge in begging out of compulsion. Therefore, I would like to submit that the hon. Minister should try to find out the reasons behind begging. It will be nice if the hon. Minister ponders about hammer out solutions to this problem because you are incharge of this. Further, I would like to submit that some persons look on boys and girls for begging and everyday in the evening settle the accounts. Such persons do it in the form of business.

Sir, beggary is prevalent everywhere in the country. Beggar could be seen at all the places, they can be seen there in the Cannought place and at Hawa Mahal in Jaipur too. I would like to give some suggestions to eradicate it. There is an organisation, known as S.O. in Jaipur, being run with the economic assistance from Germany, which looks after the children well. This organisation puts up to 25 children in a building and each building is named after great men like Maharana Pratap, Shivaji, Mirabai etc. For every 25 children there is a mother (lady caretaker) who even takes out the children for shopping. The lady even arranges food for the 25 children as per their liking. In Jaipur city this organisation which is popularly known as S.O. is functioning adjacent to Chandpur cremation-ground. This organisation is aided by Germany. All others who want to help this organisation are welcome. The hon. Minister must be remembering that on the occasion of thread ceremony, the head to the boy concerned cleanshaved and then he is required to collect alms. The sole purpose of this ceremony was in a way to check the habit of begging in the children. Further, I would like to submit that the State Government should set up old age homes. In Jaipur a few old age homes are functioning. The State Government there is giving help to the Lepers. Old age homes are functioning in Vrindavan too. In Vrindavan, the Government has allotted Kiosks to the aged persons to help them earn their livelihood. These aged persons have come there after renouncing their families. However, their family members can come over there to meet them. Such old age homes are functioning well in Vrindavan.

By all this I only want to submit that the Central Government should lodge the beggars at such places and make arrangements for their food and imparting training. Besides this, the Central Government should go ahead with decentralisation and open such centres in the states for the children to eradicate the curse of beggary, which is a heinous crime. Many hon. Members have submitted that in this 50th year of Independence that we are going to celebrate on 15th August, the Government of India should



resolve to open such centres with the objective of eradicating beggary from the country. To my knowledge the Government of India has not hitherto made any such attempts. Therefore, the Government of India should make all out effort to eradicate beggary.

I hope that the hon. Minister would definitely pay attention toward all these things, because begging is in fact a serious crime. I thank the hon. Member for bringing this Bill and hope the hon. Minister will take concrete steps to abolish. With these words I conclude.

MR. DEPUTY SPEAKER: Mr. Katheria, you may please speak only for two minutes, because I want that the Bill of Shri Amar Pal Singh is also taken up today itself.

SHRI PRABHU DAYAL KATHERIA (FEROZABAD): If you want I can forgo my turn.

SHRI AMAR PAL SINGH: Mr. Deputy Speaker, Sir, only 45 minutes are left.

MR. DEPUTY SPEAKER: Don't worry it will be done.

SHRI PRABHU DAYAL KATHERIA: Mr. Deputy Speaker, Sir, I rise to support the Abolition of Begging Bill moved by my colleague. We are going to celebrate the 50th year of our Independence. I am of the view that the implementation of the laws enacted during the last 50 years had largely been tardy. I think begging can't be eradicated through enactment of laws or coercion, but can be eradicated only through self-introspection. Each one of us has been elected by 2 lakh 60 thousand voters. Therefore, We the elected members belonging to all the political parties should be conscious and alert about our utterances and conduct, because in the absence of self-introspection we can't succeed. Now a days self-introspection is being done just on one issue.

MR. DEPUTY SPEAKER: Speak on Bill only.

SHRI PRABHU DAYAL KATHERIA: I am coming to begging.

MR. DEPUTY SPEAKER: Please don't beat around the bush and come to the point. Otherwise much time will be lost.

SHRI PRABHU DAYAL KATHERIA: Nothing has been done regarding self-introspection. Nowadays, political parties worry about the formation of their own party's Government in the States where they are not in power. I endorse the views of my colleagues on population explosion. In the absence of education population is burgeoning. Had proper education been imparted in the country we would have definitely achieved the objective of Hum Do Hamare Do. I would like to know whether the Government has ever paid attention towards the provisional educational facilities in the rural areas? Till date the fundamental right of education has not been availed of by the people. There is no arrangement for imparting education to illiterate youth, poor farmers and labourers in rural areas. Therefore, agony of the people is increasing.

Just now, a point regarding kidnapping was raised. There are many gangs operating in the country which kidnap the children. They maim these children and force them in to beggary. Who is responsible for that? The Government is responsible for that. I think that the Government should be held responsible for these type of things in the country. But who is introspecting? How many people were convicted? There are many children in our country who are forced in to beggary after being kidnapped...(Interruptions)

MR. DEPUTY SPEAKER: I had allowed you to speak for two minutes only. Two minutes means only two minute. Please conclude your speech.

SHRI PRABHU DAYAL KATHERIA: Alright Sir, I will comply with your order.

I would like to submit to the hon'ble Minister that there is no use of such speeches. Unless the Government, whichever it is, introspect, no law can improve our society or country. If we improve ourselves, our entire society will improve automatically.

With these words, I support this bill. Thank you for giving time to speak on this bill.

DR. SHAFIQUK RAHMAN BARQ (MORADABAD): Mr. Deputy Speaker, Sir, so far as beggary is concerned, it is a curse in the society. It is badly affecting our entire society. Small children of society are kidnapped. Thereafter, the people engaged in this trade maim them and earn money by forcing them in to begging. Our country is going to celebrate golden jubilee of its independence. On this occasion, the Government should make arrangements i.e. conduct a survey to ascertain as to how many all over the country are engaged in this act. There are different categories of people who are engaged in this trade. Some of them force other people to beg but they themselves are leading a good life. But then some people of our society are actually handicapped. It is necessary to help them. But here the point is, how to help them. Everybody will have to improve himself first. Unless we improve ourselves, our society will not improve. Therefore, begging like other evils, is also a curse in our society. It is a stigma on our society. Therefore, to improve our society, to provide dignified life to the people of our society it is necessary to make arrangements for their education to eradicate this evil from our society. The lack of education is the root cause of this evil. As a result of which our generations are affecting adversely.

With these words, I demand from the Government that a survey be conducted all over the country in this regard and a separate department may be established for that. Meagre amount has been provided for this purpose. However, the Government should conduct a survey in this regard and find a way out for eradicating this evil from our society.

With these words, I demand from the Government that some action should be taken in this regard.

[English]

THE MINISTER OF WELFARE (SHRI BALWANT SINGH RAMOOWALIA): Mr. Deputy-Speaker, Sir, our worthy colleague, Dr. T. Subbarami Reddy has moved the Abolition of Begging Bill 1996, urging the Government to take strong steps.

Sir, I am very much thankful to all the worthy colleagues, the hon. Members of this House who have taken part in the discussion. Each and every hon. Member expressed the deepest concern over this menace and evil which has become a stigma on the Indian society.

The Hon. Member wanted the following two or three points to be met that this Government, while accepting this Bill, should constitute a fund for beggars, that as per the State Act, the receiving centres should be established and that begging should be prohibited. He also wanted that vocational training should be given for beggars and also homes for old, infirm and destitute persons.

After raptly listening to the views of various hon. Members, I am convinced that the thrust was on two different parts of that issue. Every hon. Member almost said in totality that beggary was a stigma and that it should be eliminated, stopped or eradicated. The main concern of each speaker, directly or indirectly—whosoever was delivering the speech in the conscious mind or unconscious mind—was about the misuse of children who were used for begging purposes by some gangs, *the Mafia*, etc.

Sir, now I come to this point-wise. What to say is that this House would never find this Government lacking in its responsibilities to address this stigma or this problem of begging. This is the first point. Another hon. Member said that a law or a legislation cannot eradicate begging. We have to see some age-old traditional reasons as to why beggary is prevalent in this country.

We are mainly a Hindu society and our Hindu tradition has inculcated very deeply in the mind of everybody that giving alms is something which brings a lot of prosperity and it would meet a lot of our demands in the next birth or in the next life. It is not only that beggars go finding the alm givers but alm givers also go on finding the beggars. In astrology, in religious teachings and in traditions which are unwritten from year to year, people say that giving alms should be a part of life everywhere. So, what can I say? I can only say one thing. Shri Satpal Jain referred to it and sister Bhagwati Devi also referred to it.

[Translation]

I can only say that if giving alms in the name of religion is banned, beggary can be stopped. I am not shirking my responsibility but I am saying this thing.

[English]

Now what is happening? Why are children used for begging purposes? It is because everybody knows that supply will continue in this profession. If somebody knows

that if children are put up on the begging trail and they will get nothing by the evening, nobody will do it. So, how can the great religious teachers tell the country that by bringing children into beggary, you have actually become the murderers of those children?

[Translation]

That is why I say that alms giver does not know that he is responsible for spoiling the future of the child sitting on the road, for begging. Why they are made blind, and are maimed and tortured? It is because their physical disability attracts the attention of alms givers and there alms are the earning of such gangs, mafia leaders. Who will tell these facts to the religious leaders, Shankaracharyas of Mathas. We are very small people in this field. These are the only persons who can do that.

[English]

Beggary is one reason. Poverty is another reason or the basic ground that lead to beggary. Families are begging.

Every Member touched the subject of population explosion. They said that population explosion is eating the vitals of the country's progress. But can I say that we are all from different political parties? Sir, I am intervening through you. I humbly say that the nation has not reached the conclusion so far that population is a national issue. You give the lead and lead the House. Let us take it as a national issue. Now, why is poverty there? It is there because of over population. Why is there an over population? It is because literacy is not there. Why is literacy not there? It is because resources are not there. So, this is the root cause of beggary. As you rightly said, law cannot prevent begging. An hon. Member from the BJP said that legislation cannot stop beggary because legislation can only give power to the law enforcing agency. Legislation cannot fill the empty stomach. So far, 16 States and two Union Territories have their own Beggary Prohibition Acts in their respective States.

Perhaps you will be happy to know that seven States in the North-East have no problem of begging. They have sent that information to my Ministry. So, these seven States say that they do not need any such legislation at the all-India level.

May I tell the House something earth-shaking? Perhaps it will be a new information to my hon. friends that 'beggary' does not find a mention in the Constitution either as a State subject or a Central subject or as a Concurrent subject. Nowhere is it mentioned. Only God knows why it is so... (Interruptions)

Shri Hannan Mollah, you are a senior Member. I was elected to this House in 1977. And then, I could not come once or twice. But you came here every time. You should know about it. It does not find a place. As is my habit, I do not conceal anything.

SHRI HANNAN MOLLAH: If it is not mentioned anywhere, the Central Government should take a lead

about that...(Interruptions)

MR. DEPUTY-SPEAKER: Let him conclude.

[Translation]

MR. DEPUTY SPEAKER: Let him conclude first and then ask any thing.

(Interruptions)

SHRI BALWANT SINGH RAMOOWALIA: I am also making my views clear on the issue. If any mistake is committed it will be known...(Interruptions). I am telling you about the steps taken by the Central Government in this regard. I would like to let you know that it was a central subject till the second five year plan. Beggary prevention scheme was a Central Government scheme. You represent the entire nation, but after second Five Year Plan, the National Development Council decided that these schemes will be run by the State Governments and not by the Central Government. The Government provides assistance to the States that run schemes to prevent beggary. We prepare schemes for providing rehabilitation, education and vocational training. If we do not implement these schemes,

[English]

how should we take care of the beggars?

[Translation]

As far as the child beggary is concerned, we have taken an unambiguous decision about it.

[English]

The moment a child is found begging, he should be taken into custody. And he should be produced not before any court but before the Juvenile Welfare Board.

[Translation]

That child is not sent to jail, but is sent to Juvenile Home or observer centre. Thereafter, the child is given proper care and protection and then is rehabilitated. Earlier, we provided fifty per cent funds for such schemes. These Schemes are :

[English]

"for prevention and control of Juvenile social maladjustment."

[Translation]

There are 600 centres in India to control social maladjustment. Now we have formulated a new scheme and that is :

[English]

To provide vocational training and technical education for rehabilitation of the beggars.

[Translation]

You will be happy to know that the Central Government

has offered to provide hundred per cent assistance for the schemes which will be implemented by the states. But, here, I would like to inform that we receive very few proposals seeking assistance for implementation of these schemes. That is responsibility of the States.

PFOR. RASA SINGH RAWAT (AJMER): You sent schemes and hundred per cent grant will be given. ... (Interruptions)

DR. RAMESH CHAND TOMAR (HAPUR): When new schemes will be formulated, proposals will be come ... (Interruptions)

MR. DEPUTY SPEAKER: What is this scheme? Please circulate it among the Members of Parliament also.

SHRI BALWANT SINGH RAMOOWALIA: As per your direction, it will be circulated.

I would like to say one thing more. Some of my friends said that only twenty per cent share is borne by the Central Government. We can enhance it, but no state sends demand for it. This time, we have not earmarked more funds for that. A mention has also been made about "Homes For The-Old-Age." It is very unfortunate that old people do also beggary in our society. Our attitude towards parents as has been mentioned in Geeta and Scriptures, is changing slowly under the influence of western culture and films. Now, there is no such feeling. We are also stressing upon it and we have sufficient funds for old-age-homes, but that much demand is not being made for that too. Out of the total proposals received in this regard, we consider only those which are comprehensive. But some persons, in the guise of a sadhu, tarnish the image of the genuine sadhus. I am of the view that NGOs should ponder over such issues because some of them are fraudulent. All the cases are examined thoroughly, but sometimes we do not get success. There are a number of such cases pending with the Ministries.

One of my friends said that if the persons who retired from higher posts are allowed to live in old-age-homes, their income may go up. I would like to tell you that the Government is also aware of it. We have provided better living conditions by giving facilities like air conditioners, fully nutritious food and medical aid to those old people, who have come in old-age-homes in Delhi and several other places by contributing big sums. If they fall ill, vehicles of these old-age-homes take them to the hospital. They go to collect their pension by these vehicles. We have made such arrangements at some places.

MR. DEPUTY SPEAKER: But they do not come in the beggars category.

SHRI BALWANT SINGH RAMOOWALIA: I am saying so because number of beggars has not gave up and they are living there.

DR. RAMESH CHAND TOMAR: Do retire officers also beg?

SHRI BALWANT SINGH RAMOOWALIA: My intention

[Shri Balwant Singh Ramoowalia]

was not so. I am just replying to the point raised about old-age-homes. I am not saying that they will beg. But we have made a liberal policy for starting old-age-homes at several places for those people who do not have resources. The policy is that there is no need to construct a building for that. Buildings can be taken on rent and we will pay its rent. We are ready to pay rent instead of constructing a building with the cost of rupees 15 lakhs. Old people live there and there will be no chance of begging.

SHRI SANTOSH KUMAR GANGWAR (BAREILLY): Please circulate the scheme. Old-age-homes can be established with the fund provided for MPs local Area Development Scheme. It will be good to circulate the scheme among all the MPs.

SHRI BALWANT SINGH RAMOOWALIA: He has just now directed. I will get it circulated.

MR. DEPUTY SPEAKER: Discussion on this Bill should have been over by 5.25 hrs. If with the premission of the House the time for discussion of this Bill is extended by ten minutes then it could be concluded.

*(Interruptions)*

SHRI BALWANT SINGH RAMOOWALIA: I mean to say that we are making it comprehensive. Legislation is already there and there is no lacuna in it too. Further legislation is no solution. On the other side, the Government of India is determined to ensure economic amelioration social awareness, social development and provision of skills for the upliftment of needy persons. We will take initiative in this regard. Therefore, if my friend had been present here I would have requested him to withdraw this Bill. Now, my submission to this House is that there is no need to introduce this Bill, because provisions for that already exist. With these words, I conclude.

*[English]*

MR. DEPUTY SPEAKER: Dr. T. Subbarami Reddy is not present in the House. Therefore, I will put the motion to the vote of the House.

The question is:

"That the Bill to provide for abolition of begging and for matters connected therewith or incidental thereto, be taken into consideration.

*The motion was negatived.*

17.37 hrs.

#### PRIVATE INVESTIGATORS BILL

*[Translation]*

SHRI AMAL PAL SINGH (MEERUT): Mr. Deputy Speaker, Sir, I beg to move:

"that the Bill to provide for the licensing of private investigators and vest them with certain powers, be taken into consideration."

\*Moved with the recommendation of the President.

Sir, corruption and incidents of kidnapping are on the rise in the country. I would like to cite an example. In 1953, the number of incidents of murder was 9802 and by the year 1992 it went up to 40,105 per year. Kidnapping has emerged as an industry in the country and is hindering the process of industrialisation. Corruption has reached alarming proportions in the country and is obstructing the development of the country. I would like to propose to have a provision of licensing of private detectives to weed out criminals from the society. It should be kept in mind while licensing the private detectives that no criminal finds a place in it. First of all, it is essential to conduct a high level inquiry of its members.

Sir, now the question arises as to why there is need to have private detectives in the country. Firstly, I would like to emphasise that due to rampant corruption prevailing in police and up to the level of district courts, guilty go scot free while the innocents are being punished. Secondly, due to protection being given at political and administrative level it is difficult to award punishment. This is the reason to introduce the private detective system. Now the issue is as to what should be the system of having private detectives. Sir, through you, I would like to apprise this August House that it has become essential to break the nexus of criminals, politicians and bureaucrats.

The population of the country has gone up by leaps and bounds and due to scarcity of resources, the strength of the police force has not gone up proportionately. I would like to cite an example. If any patient is admitted in a Government hospital and he does not recover and improve, then without losing time the relatives shift the patient to private hospital to better the chances of survival by proper medical aid. It is because of monopoly that corruption is widespread in police. If any individual loses confidence in the police because of not getting justice what he would resort to? If private detectives are there, a person can approach it. There is a provision to go to the court in private capacity under section 200 to 204 of the Cr.P.C. A person can directly file a case before the judge, but investigation is a technical exercise. This is the reason that the citizens are not able to avail this facility. Therefore, the private detectives are the need of the hour. It should be ensured that only the plaintiff, government organisations and semi-government organisations make use of the private detectives and not the accused. If criminals make use of them then the offences will go up. A provision should be incorporated in this that the courts will also take cognizance of the chargesheet filed by the private detectives like as it takes cognizance of chargesheet filed by the police. Further, I want that the right of registration of the case and arrest should rest only with the police. If any private detective is involved and files chargesheet in the court then the court should take cognizance of the chargesheet and issue warrant against the accused, but warrants should only be executed by the police.

Secondly, I would like to observe that Shri Raiberio has 40 years of experience behind him as Police Chiefs of Punjab and Maharashtra. Recently he emphasised upon

the need for having private detectives in India. With the introduction of private detectives in Scotland Yard the functioning of police has improved to the extent that now the police never play with the authority of law even if the violator is a highly placed person. Now police tries to secure justice to all alike. In the present Bill, I have proposed to make provision for licensing of private detective agencies. It is proposed to prescribe minimum professional qualification for joining this profession. Further, it is proposed that a code of conduct for private detective agency should also be laid down and any agency found guilty of violating the code of conduct be subjected to cancellation of its license. I would like to remind that CBI is investigating the Bofors deal since 1989. CBI is also investigating the Mumbai bomb blasts' case. Six thousand cases are pending with the CBI and in the Bofors case CBI has not been able to find the truth. Till date, the main accused in the Mumbai blast case had not been apprehended. If such is the position of the CBI then the state of affairs of the investigations in the States could very well be imagined. Sir, you and other hon. Members are aware of all this. I am of the view that with the introduction of Scotland Yard type private detective system in the country situation will definitely improve and criminals will be punished while the oppression of the innocents will stop.

Now I would like to dwell upon the issue of corruption. Our country has become member of WTO. Major multinational companies have engaged private detectives, who safeguard their economic interests. These multinational companies utilise the services of private detectives to prevent violation of their patent right. Private detectives also help in checking misuse of the money of the company by the management and in bringing down the cost of production. Therefore, the system of private detectives has become essential in the country. On the pattern of taking the services of the private detectives engaged by the multinational companies to prevent misuse of money by the management, both the Central Government and the State Governments can seek their cooperation for checking misuse of their funds by their respective Administrations. Out of the funds allocated by the Government of India for district plan or JRY to the States, just 30 per cent is actually utilised. Rest 70 per cent money is misused by filling in fake muster rolls or MB. The Government of India can prevent the misuse of its funds by engaging the private detectives. For instance, take the case of Uttar Pradesh. In U.P. there are 75 districts. Through lottery system, Groups of five districts each can then be assigned to a private detective for keeping an eye on the extent of misuse of funds, actual amount of work done, the extent of muster roll filled up and management books. Faith should not be reposed in one private detective only. Out of the group of five districts, further two districts could be selected through lottery system and handed over to another private detective. Through this system report of one detective regarding five districts could be had and report of the other detective regarding the two districts separately can also be obtained. This way two reports can be obtained regarding the two districts. Through this system a procedure of checks will be introduced because all the 75 collectors will be under

constant fear that their districts at any time could be got selected because for the lottery method. By following this method corruption on large scale will be checked.

As far as the issue of their *modus operandi* is concerned, to my mind quality standards must be maintained at all costs. The credibility and prominence of a Doctor is reckoned by the satisfaction the patients get. Similarly, the credibility of a private detective agency depends on the competence of the detective of secure justice to the people. If there are number of various detectives, it will generate the spirit of competition among them and it will help them to maintain their reputation and their competence will also go up. Therefore, improvement in their function will become mandatory for them.

I would like to reiterate that many functions falling under the domain of the police have already been privatised like providing of private security guards. When there is no objection on providing private security guards, then what is the objection in vesting them with powers to carry out detective work. On the one hand whereas the proposed system will confer the actual right of utilisation of security related rights upon the citizens on the other hand adequate provision has been proposed in the Bill for preventing misuse of these rights. With the introduction of this system guilty will definitely be penalised and the oppression of the innocent will stop. Cases of corruption in police and upto district level courts will plummet and the persons giving protection to the criminals will get exposed. I am of the view that such a system will definitely be costly. Undoubtedly the ushering in of the proposed system will deliver justice to just 10 per cent of the people for economic reasons, but it will definitely prove to a boon for the rest of 90 per cent population indirectly because the police will always fear that the democles sword of any private detective may strike at any time in any of the case. With the introduction of the said system in Scotland Yard the performance of the police there has improved to the extent that now their example is cited all over the world. The police never compromises with the law there. It is the bounden duty of the police to prosecute all the violators of law irrespective of their status and help out all the victims too irrespective of their status. Mr. Deputy Speaker, Sir, the Chief Minister of Delhi has announced that cases of all the corrupt officers will be got investigated by the private detectives. This has caused widespread furore in the Delhi Administration. During the 10th Lok Sabha the report of the Vohra Committee appointed by the Central Government, was presented in which the nexus of politicians and officers with the mafia gangs was exposed at length. With the introduction of this system, corruption will definitely come down. Our huge amount of money is deposited in the foreign Banks abroad. Collaboration with the private detectives can bring back the country's wealth from abroad and the persons behind sending out the money of the country can also be exposed.

I would like to assure the House that with the introduction of this system both corruption and crime will come down because at present only the change in the system can have a check on corruption and crime. It is

[Shri Amal Pal Singh]

not possible to tackle it only through building national character. Therefore, I would like to request the House that this Bill need to be passed and pressure need to be mounted on the Government in favour of bringing about such a system because private detective agencies will prove to be of great help in rooting out corruption and crime. I would like to reiterate that to stop the criminals from hijacking such a system, prior high level investigation of the members should be made mandatory before giving them permission to carry out at their work.

[English]

MR. DEPUTY SPEAKER: Motion moved:

"that the Bill to provide for the licensing of private investigators and vest them with certain powers, be taken into consideration."

PROF. RASA SINGH RAWAT: He is a master of all subjects.

[Translation]

PROF. RASA SINGH RAWAT (AJMER): Hon. Deputy Speaker, Sir, I rise to support the Private Investigators Bill, 1996 introduced by our hon. Member Shri Amarpal Singh Ji. In the modern era, criminalisation of politics and politicisation of crimes have been going on rapidly and the rampant corruption is prevailing in every fields of the entire country. In these circumstances the investigation department of police is heavily loaded. If they want to investigate, examine, explore the cases then they are involved in all these works or any other serious matters. As a result of this, they are unable to give expected performance. The criminals are not detected, proper investigation is not carried out, the right culprits are not brought to book and consequently, the 'Amarbel' of corruption in the society is growing leaps and bounds and therefore, they have established a new idea that it is an age of privatisation, an age of liberalisation, an age of universalisation and delicensing and depermitting process is going on in every field, then why should we not open the doors of privatisation in the fields of investigation and in the field of detecting culprits and in their investigation so that Government agency may discharge their duties in official manner. You have just given an example as any patient admitted in the Government hospital and he does not get rid of the disease despite being provided better medicines and doing much efforts by the doctors. Consequently, aggrieved family members of the patient take him to some private doctor or private nursing home and more money is required there but the person has the feeling of expending more money and as a result of which several times the patient also gets well. He gets better service. He is looked after properly. In the same way Government prosecutors and investigators do something at both the sides. They ask the thief to steal and ask the guard to be cautious. There is a saying that to ask to the thief to steal and ask the guard to be cautious and after that they would be saying to every side this is being done against you and that is being done against you. In this way, the matter becomes very complicated like the foot of an elephant who gets struck

in a wet land and the more it tries to get out of it the more the elephant keeps on sinking. Mr. Chairman, Sir, likewise the innocent person is going to be involved in the allegations and the more he tries to get rid of it, the more he continues to fall in the trap. In such a situation, the private investigators services can be made available, but the concerned persons should be resourceful and capable. Then the private investigators services can be availed. As you have said just now that would be a licenced person or licenced institute and they are genuine persons their capability would be ensured. Also for having control over them, there would be an officer of the level of Director General of the Government. There would be a number of DIGs zonewise under him and certain places would be earmarked for them separately and their capability would be ensured. It will also be considered to which category the crime falls and to which investigator it will be handed over. But nowadays what is happening is that whichever unit the Government takes over, it starts incurring losses, like our public sector undertakings. All of them are incurring losses. For example NTC or State Electricity Boards, all these undertakings are incurring losses. Take the example of State Roadways. Wherever these have been nationalised, they are incurring losses and on the other hand, the firms of Birla, Tata or Somani continue to earn profits from the same undertakings. It means that private individuals can control well, discipline well, do good jobs and achieve better results in the same way. Any agency that is constituted parallel to Government agencies like CBI or CID and such private individuals are given the licences and the powers and they begin to investigate, then there would be a sense to competition. Now the police conduct investigations and when we are not satisfied by the police, we approach the CBI and when it also is unable to do anything then the matter ends there and we are left helpless. In such a situation if this parallel arrangement of private sector become effective and the genuine and reliable persons are involved in it, then I think the workload of police will also be minimised. By this arrangement, on the one hand it would be easy to detect the culprits and on the other hand an easy and accessible advisory body or investigating body would also be constituted for detecting and solving the crimes by which the corruption in the society as well as the number of culprits indulging in the corruption would also be reduced.

SHRI GIRDHARI LAL BHARGAVA (JAIPUR): Mr. Deputy Speaker, Sir, it is 6.00.0'clock. Mr. Rawat may continue the next time now please adjourn the House...(Interruptions)

MR. DEPUTY SPEAKER: All right, you continue next time.

[English]

The House now stands adjourned to meet tomorrow at 11.00 A.M.

18.00 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, August 11, 1997/Shravana 20, 1919 (Saka)*

---

---

**© 1997 by Lok Sabha Secretariat**

**Published under Rules 379 and 382 of the Rules of Procedure and Conduct of Business in  
Lok Sabha (Eighth Edition) and Printed at Sunlight Printers, Delhi - 110006**

---

---