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Wednesday, April 29, 1987
Vaisakaha 9, 1909 (Saka)

LOK SABHA DEBATES
(English Version)

Eighth Session

(Eighth Lok Sabha)

(Vol. XXVIII contains Nos. 41 to 50)

LOK SABHA SECRETARIAT
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* The Sign † marked above the name of a Member indicates that the question was actually asked on the floor of the House that Member.

LOK SABHA

Wednesday, April 29, 1987/ Vaisakha 9, 1909(SAKA)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

[*Translation*]

MR. SPEAKER : Kolandaiveluji, how are you alone today?

[*English*]

How are you left alone?

[*Translation*]

SHRI BALKAVI BAIRAGI: Everyone has left.

SHRI MURLI DEORA : In stead of at 12 O' clock, they walked out at 11 O' clock, Sir.

[*Translation*]

MR. SPEAKER: What is a neighbour's duty?

[*English*]

Have you been deserted ? I really sympathise with you?

Shri Jagannath Pattnaik - Not present

Shri Satyendra Narayan Sinha - Not present.

Shri A.J.V.B. Maheswara Rao - Not here.

Shri M. Raghuma Reddy - Not present.

Shri Dharam Pal Singh Malik must be there. No !

[*Translation*]

SHRI BALKAVI BAIRAGI: They should be penalised

[*Interruptions*]

[*English*]

MR. SPEAKER: Shri. Y.S. Mahajan Not present.

Mr. D.N. Reddy. For a change he is there !

SHRI. D.N. REDDY: Question No. 844 Sir.

Membership of Bombay Stock Exchange

*844. SHRI D.N. REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Bombay Stock Exchange has been keeping the number of sharebrokers stagnant at around 500;

(b) if so, the reasons therefor;

(c) whether Government have taken any steps so far, to throw open the stock-broking profession to other aspirants; and

(d) if so the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) to (d). A statement is given below.

STATEMENT

(a) and (b). Although the membership strength of the Bombay Stock Exchange has remained constant at 504 since 1957 when the Exchange was given recognition under the Securities Contracts (Regulation)

Act, 1956, the number of active members has increased from 315 in 1975 to 396 in 1986. This number has since gone up to 402.

(c) and (d). The Governing Board of the Bombay Stock Exchange at its meeting held on 7th January, 1987 has decided to increase the membership of the Exchange by issue of 50 fresh cards. This will raise the total membership strength of the Exchange from 504 to 554. The proposed increase in membership of the Bombay Stock Exchange has been approved by the Government recently.

[*Translation*]

SHRI D.N. REDDY: Mr. Speaker Sir,

MR. SPEAKER : I am hearing a voice after a long time.

[*English*]

I am thankful to you.

[*Translation*]

AN HON. MEMBER: How are you speaking in Hindi?

[*English*]

SHRI D.N. REDDY: My ambition is to compete with Mr. Bairagi !

Sir, Bombay is the biggest and the oldest stock exchange accounting for nearly more than half of the business in almost all the 14 stock exchanges existing in our country. Unfortunately there are many complaints about it as the elected directors have made it into a monopoly and degradation and corruption has crept into the administration.

The Prime Minister in one of his visits to Bombay, I am quoting him, said that the Government intends to bring forward a comprehensive legislation for the orderly regulation of these stock exchanges and to clean up the trading practices. That is what the Prime Minister remarked. Later, the then Finance Minister Hon. V.P. Singh, whose resignation recently has caused great anguish in the whole country and much sorrow on this side of the House, followed it up with a meeting of all the directors and discussed with them the relevant difficulties and how to take steps to make the administration into a success.

I would like to know from the Hon. Minister what are the latest steps he has taken after these assurances by the Prime Minister and the then Finance Minister and whether any prosecutions are launched or any specific complaints have come to his notice.

SHRI BRAHMA DUTT: The Prime Minister had announced in his budget speech that the Government had decided to set up a separate Board for regulation and orderly functioning of stock exchanges and securities in this country. This was to bring uniformity in the stock exchange and to regulate their functioning. We are at this job. We have to amend the SCR Act. It is proposed that SCR Act should be amended to provide also for reorganisation of the constitution of all stock exchanges, broad basing on governing and increasing the membership of stock exchanges.

It is also proposed that the corporate bodies, corporate banks, and merchant banks should also be made eligible for membership of stock exchanges. Besides this we have appointed a highpowered committee and they have also given their recommendations. This highpowered committee was appointed in May 1985 under the Chairmanship of Shri G.S. Patel. They have given their recommendations and we have issued guidelines according to their recommendations.

SHRI D.N. REDDY: Sir, just now the hon. Minister has mentioned about the highpowered committee headed by Shri G.S. Patel. May I request the hon. Minister to inform the House whether the suggestions of the Committee have been implemented? If so, how far?

SHRI BRAHMA DUTT: This Committee headed by Shri Patel has made the following main recommendations :

1) That the constitution of the stock exchanges should be suitably amended so as not to have any in-build hurdles in providing for continuous increase in the membership of the stock exchanges;

2) That the Securities Contracts (Regulation) Act, 1956 may be amended to give powers to the Government to direct the stock exchanges to increase their membership in order to bring about a qualitative improvement in the membership of stock exchanges. I have already informed the House that we are at this job.

3) That the companies should be permitted to become members of the stock exchanges by suitably amending the SCR Rules 1957;

4) That provisions of Section 17 of the SCR Act 1956 providing for licensing of dealers in securities in areas where there are no stock exchanges and where the provisions of Section 13 of the said Act do not apply should be implemented after a proper induction of such dealers through a suitable examination or professional test which may be conducted by stock exchanges or the proposed Council for Securities Industries;

5) That apart from the licensed dealers, it will be useful to have a class of licensed security agents situated at places where there are no stock exchanges and where the secondary market is not well developed. The Committee has also recommended the setting up of Council for Securities Industries as a statutory body with adequate powers for performing various functions for the regulation and development of stock exchanges and securities industry.

Instead of this Council what we propose to set-up is a separate Board and very shortly it will be established and these difficulties will be removed. I am in agreement with the hon. Member that somehow it has become a closed system and there is no uniformity in the 14-15 stock exchanges. So this system should not remain closed. People should be inducted into it and there should be some sort of uniformity.

[*Translation*]

SHRI BALASAHEB VIKHE PATIL: Mr. Speaker Sir, I want to know from the Minister through you the number of members of the Bombay Stock Exchange against whom raids were made and whether the membership strength was reduced because of the irregularities discovered during the raids? Were the members blacklisted ? What action has been initiated against the guilty persons to effect improvement in the working of the stock exchanges?

SHRI BRAHMA DUTT: Mr. Speaker, Sir, I have not received any information about the number of persons against whom raids were conducted. It is true that there are some ineffective members in the Stock Exchange and they have proposed to increase the membership by 50 new members. I will inform you about the raids.

[*English*]

SHRI BALASAHEB VIKHE PATIL: The question relates to the membership. Due to raids, has the Government reduced the membership of the guilty persons? What action they have initiated against the guilty persons ?

[*Translation*]

SHRI BRAHMA DUTT: In the first instance, we have not received any information about the raids and the action taken against the guilty. I will get the information and inform you about it.

Wasteland Development

[*English*]

*847. SHRI BALASAHEB VIKHE PATIL: Will the Minister of ENVIRON-

MENT AND FORESTS be pleased to state:

(a) whether there is any demand from the voluntary organisations, private bodies, individuals and co-operative societies for providing them land to plant trees;

(b) whether Government propose to allot wasteland for afforestation purposes to the cooperative societies, voluntary organisations, private bodies and individuals based in rural areas; and

(c) if so, the details thereof?

[*Translation*]

THE MINISTER OF ENVIRONMENT AND FORESTS: (SHRI BHAJAN LAL): (a) to (c). The Central Government are not promoting the entry of private companies to take up the reclamation of wasteland inside forests. The proposals in each State for afforestation of wasteland are dealt with by the State Governments concerned.

SHRI BALASAHEB VIKHE PATIL: Mr. Speaker Sir, first of all, I thank the hon. Minister for not promoting the entry of private companies to take up the reclamation of wasteland inside forests. But I also want that the Government should not grant any portion of forest land to any company. Secondly, what is your policy in regard to the demand from the various voluntary agencies, co-operative societies and such other organisations for providing land to them? I am afraid that these people may start misusing that land and you cannot take it back. Is there any law by which you can claim your land back? Is any legal action possible in this regard? If these organisations or even some individuals have planted trees and also made some investements on land, what provisions are there to check such cases of misuse of land?

MR. SPEAKER: What role have the companies to play in the matter of farming?

SHRI BHAJAN LAL : The hon. Member has asked the right question. There is no such policy which permits the misuse of forests by private companies, individuals or industrialists. In this connection, guidelines have been provided to all the State Governments for ensuring that there is no misuse of forest land by individuals, private organisations or private companies. Secondly, we have started a tree-lease scheme under which the poor people in some States are provided land on lease basis. The special feature of this scheme is that the individual will be entitled to make use of the trees only and he will not have any right of ownership of land. It has decided to provide only 1 or 2 hectares of land under this scheme so that the poor people can earn their living and the question of granting forest land does not arise.

MR. SPEAKER : The sole motive of the companies which entered the field of agriculture after 1950 was to evade income tax. This is bringing bad name to agriculture.

SHRI BHAJAN LAL: It is true that some people were allotted land before 1977, and the same was done in the year 1977 and we are working into all these issues. If we find misuse anywhere, then we shall initiate proper action against the guilty. However, forest land has not been allotted to anyone after 1980. As such some applications are pending with us and some are pending with the State Governments. Mr. Patil has stated correctly and those 32 applications have reached Maharashtra Development Board. These include some private companies, individuals and some organisations and they have demanded that land be provided to them to plant trees so that they can produce their own material. Some such applications have reached the Westeland Development Board as well but we have not yet sanctioned any application. We are going to frame a law soon in this regard and we will make efforts to bring it in this session or we will certainly do so in the next session in order to prevent misuse of land by individuals, private bodies and companies.

MR. SPEAKER : Not only individuals but companies also should be brought under it.

SHRI BALASAHEB VIKHE PATIL: Mr. Speaker Sir, under the afforestation programme, certain districts have been selected so that this programme can be implemented at a faster pace. I want that wherever afforestation work is undertaken, we should also ensure against misuse of land there. Is the Government making efforts to bring the afforestation programme under NREP/R.L.E.G.P Schemes? If so, what steps have been taken in this direction.

SHRI BHAJAN LAL: The Wasteland Development Board was constituted with the intention of planting trees wherever trees have been felled. I want to inform the hon. Member that during the last 25 years, that is upto the Fifth Five Year Plan Rs. 241 crores were spent on afforestation work in the country. In the Sixth Plan Rs. 926 crores were spent for this purpose and in the Seventh Plan Rs. 2315 crores have been allotted under different schemes. As mentioned by him, under N.R.E.P. and R.L.E.G.P. Rs. 500 crores and Rs. 349 crores respectively have been earmarked in the Seventh Five Year Plan. Similarly, Rs. 95 crores have been allocated for the programmes for drought affected areas and Rs. 98 crores for the development of desert areas. There are many such similar schemes. If I start listing them, it will take a long time. We will be spending Rs. 2314 crores on them.

[*English*]

SHRI CHANDRA PRATAP NARAIN SINGH: I would like to know from the Minister a) whether in this afforestation programme of the wasteland he will take into consideration the fact that monoculture sometimes is not a positive factor, but a negative factor and b) as you rightly said, Sir, many people who are not farmers, who are industrialists, are misusing this very scheme of the Government by constructing a small farm house and occupying large tracts of land and thereby showing in their income tax returns that it is an agricultural income. These gentlemen farmers have no histroy or experience of farming. Will the Government take suitable action in this regard?

MR. SPEAKER: This is not gentleman farming, but so called farming.

[*Translation*]

SHRI BHAJAN LAL: Mr. Speaker, Sir, you are very well aware that people indulge in such malpractices to evade income tax. The Finance Ministry will be instructed to take measures to check such misuse of schemes. But how can we restrict them? If a person owns 20 acres of land regardless of whether he is a businessman, we cannot stop him from undertaking agricultural activities. However, we can check whether the produce in that area is equal to other similar plots of land. For example, if the yield in the neighbourhood is 20 quintals per acre and the yield per acre in the aforesaid plot is shown as 100 quintals, then there must be something fishy. We make efforts to check this while looking into their income tax returns, and we should pay more attention to it. Thus the Finance Ministry is vigilant about the fact that people do not try to convert their unaccounted money into white by showing it as agricultural income.

[*English*]

SHRI CHANDRA PRATAP NARAIN SINGH: What about mono culture? Are the Government planning any particular type of trees in the wasteland ? I would recommend certain fruit trees which can be grown in these areas. Because of mal-nutrition in most areas, you could have particular fruit trees for those areas, like in East U.P., you could think of jack fruit mango and jamun trees. It would also help in the nutritional programme for these areas. What sort of trees are they thinking of planting in these areas?

[*Translation*]

SHRI BHAJAN LAL: Mr. Speaker, Sir, it depends on the areas, the quality of soil, and the availability of irrigation in that land. We are against mono-culture. We have issued guidelines to States in this regard but it depends on the climate of that region to plant a certain variety of trees so that they grow properly.

SHRI CHANDRA PRATAP NARAIN SINGH: I have asked about fruit trees ?

SHRI BHAJAN LAL: I have told you that plantation of fruit trees depends on the soil of that area. You must be aware of it.

[*English*]

SHRI SRIBALLAV PANIGRAHI: I would like to know from the Minister whether it has come to the notice of the Government that after the estabilshment of the Wasteland Board, a lot of land is being distributed by the State Governments under their schemes of land distribution programme etc. to the Adivasis, Harijans and others, and at least on a sizeable portion of such land distributed no cereal grows. That land is not capable of growing paddy, wheat or other cereals. Will the Government of India in consultation with the State Government encourage programme of afforestation on such land?

MR. SPEAKER: That is what they are doing.

[*Translation*]

SHRI BHAJAN LAL: Mr. Speaker, Sir, you know that it is a State subject. The Government of India can only issue guidelines to the State Governments. Kindly listen to what I am submitting. So far as the allotment of land is concerned, I have already stated that this question does not arise. If some such matter has come to the notice of the hon. Member, then he may bring it to our notice in writing and we shall conduct an inquiry and take strong action against them.

[*English*]

SHRI M.Y. GHORPADE: Sir, I would like to know how long it will take Government to reach 5 milion hectare per annum of wasteland development which is the set target that the Prime Minister put before the country. As you know, the performance is much below the target at present. How long will it take to reach the target of 5 million hectare?

[*Translation*]

SHRI BHAJAN LAL: It is true that the hon. Prime Minister wants maximum afforestation in this country. Last year we could not achieve our target of planting trees on 50 lakh hectares of land. But we could cover 17 lakh hectares. The target in the current year is to cover 23 lakh hectares. By the next 2 years, that is, by the end of the Seventh Five Year Plan, forests will be planted over 1 crore and 25 lakh hectares of land by the State Governments with the assistance of the Centre. We will be able to attain this target by the end of the Seventh Five Year Plan.

Upliftment of Tribals in Kerala

*848. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of WELFARE be pleased to state:

(a) the names of the districts in Kerala having the largest number of tribal population;

(b) the quantum of funds released to Kerala State during 1985-86 and 1986-87 towards the scheme for providing margin money assistance to Scheduled Tribe families under the poverty alleviation programme;

(c) whether Government have monitored the utilisation of the said funds; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WELFARE (DR. RAJENDRA KUMARI BAJPAI): (a) to (d). A statement is given below.

Statement

(a) *District-wise Scheduled Tribe Population in Kerala (1981 Census)*

Sl. No.	District	Scheduled Tribe Population	Percentage of Scheduled Tribe Population to total population in the district
1.	2	3	4
1.	Wayanad	95,557	17.24
2.	Idukki	38,712	3.98
3.	Cannanore	39,704	1.41
4.	Palghat	28,794	1.40
5	Kottayam	15,227	0.89
6.	Trivandrum	14,145	0.54
7.	Malappuram	7,955	0.33
8.	Quilon	7,442	0.26
9	Kozhiokde	3,888	0.17
10.	Ernakulam	3,551	0.14
11	Alleppey	3,273	0.13
12	Trichur	3,227	0.13
	Total	2,61,475	1.03

(b) Special Central assistance of Rs. 70.01 lakhs and Rs. 77.76 lakhs were released to the State during 1985-86 and 1986-87, respectively for taking up poverty alleviation programmes. In these releases, no amount was specified for margin money scheme.

(c) Yes, Sir.

(d) The Kerala State Development Corporation for Scheduled Castes and Scheduled Tribed assisted under margin money scheme 865 tribal beneficiaries during 1985-86 and 389 tribal beneficiaries during 1986-87 (upto Nov. 86) and incurred an expenditure on this account of Rs. 10,672 lakhs and Rs. 2.245 lakhs respectively.

SHRI MULLAPPALLY RAMACHANDRAN: Sir, it is beyond doubt that the Government of India is trying their level best to alleviate the poverty among the tribals. In this respect the previous Kerala Government has proud record. However, much remains to be done in this connection. I will make a special reference to the only tribal constituency in Kerala, i.e. North Wayanad, which falls in my parliamentary constituency. Sir, even during my last visit to that constitutency I had an occasion to see the pathetic living conditions of the Adivasies. An overwhelming majority of the Adivasies in that constituency are subjected to abject poverty, so also ignorance, sickness due to veneral diseases not to speak of sexual exploitation. I have received a lot of complaints regarding the callous indifference as well as cruel attitude of certain officers who are supposed to be in charge of overall development of Adivasies in that area. In this connection, may I know form the hon. Minister whether the Minister will be pleased to send a special team to Kerala, especially to the Wayanad district, where there is the largest number of Adivasies living, about 95,000, to improve the living conditions of these Adivasies and also see how the funds allocated for the uplift of these Adivasies are being spent in that district.

DR. RAJENDRA KUMARI BAJPAI: Mr. Speaker, Sir, the hon. Member is right. Wayanad district is the only district in Kerala where the concentration of tribal population is the largest one and as hon. Member has desired, I would look into the matter.

SHRI MULLAPPALLY RAMACHANDRAN : Sir, keeping in view the fact that Adivasies mainly depend on forest source as well as forest wealth for their livelihood and they are also the people who live in harmony with forest and nature, may I know from the Hon. Minister whether the

Minister will give clear instructions to State Government to provide employment to these tribal youngsters in the preservation of forest as well as the ecology in a perspective way.

DR. RAJENDRA KUMARI BAJPAI : In ITD programme all these aspects are taken into consideration. Now, as hon. Member has drawn my attention I will look into all these aspects also and see how it can be maintained and how the tribals are helped in this respect.

SHRI ARVIND NETAM: Mr. Speaker Sir, can I know from the hon. Minister as to how many States have diverted the funds allocated for Tribal Sub-Plan. What steps have the Government of India taken against those States who had diverted these funds including Kerala?

DR. RAJENDRA KUMARI BAJPAI: Mr. Speaker Sir, that information is not with me and I do not know whether Kerala has diverted any funds.

SHRI A. CHARLES: Though I come from Trivandrum, the capital of Kerala, in my constituency also there are more than 14,000 tribals living in the hilly areas. Most of them, as my friend rightly stated, are in abject poverty. But the strangest paradox is that it is poverty amidst plenty, because most of these people are having land holdings, varying from two to five acres. One practical difficulty experienced by them is that they take small loans for cultivation. But before the crop ripens, wild animals from the adjacent forests come and destroy the whole crop, and they are put to further liability. There is no machinery to help, guide and advise them or to monitor their agricultural performance. May I know from the hon. Minister whether the Government will consider the possibility of forming cooperative societies exclusively for Scheduled Tribes to help them in their agricultural operations and also to start agro-based industries?

DR. RAJENDRA KUMARI BAJPAI: There is the Scheduled Castes and Scheduled Tribes cooperative in Kerala also and from 1986-87, it has started working in tribal areas.

Utilisation of Funds for 20 - Point Programme

* 849. SHRI CHINTAMANI JENA†:
SHRI C. SAMBU:

Will the Minister of PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether the funds allocated to each State/Union Territory for implementing 20-Point Programme in 1986-87 weer fully utilised;

(b) if so, the details of achievements in each State/Union Territory; and

(c) the amount allocated to each State/Union Territory for 1987-88 ?

THE MINISTER OF PROGRAMME IMPLEMENTATION (SHRI A.B.A. GHANI KHAN CHOUDHURY): (a) Outlays for 20-Point Programme are not fixed separately and specifically. These are derived from the relevant Plan heads. Except in the case of Gujarat, Maharashtra, Orissa and West Bengal, where according to the anticipated expenditure figures reported by these states, the fund allocated to other States/UTs for implementing 20-Point Programme for 1986-87 were almost fully utilised.

(b) A statement (Statement-I) showing the approved outlays and anticipated expenditure for 20-Point Programme during 1986-87 State/Union Territory-wise is attached.

(c) A statement (Statement-II) showing the amount allocated to each State/Union Territory for 1987-88 is attached.

Statement-I

Approved Outlay & Anticipated Expenditure for 20-Point Programme - 1986-87

STATES/UTs	Approved Outlay	Anticipated Expenditure (Rs. in Crores)
Andhra Pradesh	687.17	793.78
Arunachal Pradesh	34.83	35.48
Assam	301.61	301.77
Bihar	769.34	784.98
Gujarat	646.76	589.73
Haryana	364.68	365.36
Himachal Pradesh	121.12	128.68
Jammu & Kashmir	147.09	160.85
Karnataka	526.05	531.10
Kerala	213.96	219.35
Madhya Pradesh	1012.48	1009.71
Maharashtra	1122.97	1031.85
Manipur	36.30	38.97
Meghalaya	41.67	41.70
Mizoram	21.40	23.36
Nagaland	21.78	21.11
Orissa	388.10	356.17
Punjab	394.31	393.22
Rajasthan	375.66	376.93
Sikkim	20.69	22.44
Tamil Nadu	751.96	746.68
Tripura	55.18	57.70
Uttar Pradesh	1330.86	1359.14
West Bengal	548.18	395.20
A & N Islands	8.39	8.62
Chandigarh	8.85	8.87
D & N Haveli	4.40	3.70
Delhi	198.99	221.23
Goa,Daman & Diu	24.34	25.38
Lakshadweep	1.64	2.09
Pondicherry	9.07	10.42
TOTAL:	10189.83	10065.57

Statement -II

Approved Outlays for 20-Point Programme-1987-88

States/UTs.	(Rs. Crores) Outlays
1	2
Andhra Pradesh	693.94
Arunachal Pradesh	45.71
Assam	285.75
Bihar	756.47
Gujarat	512.75
Haryana	271.98
Himachal Pradesh	99.31
Jummu & Kashmir	126.33
Karnataka	394.41
Kerala	190.51
Madhya Pradesh	808.14
Maharashtra	994.03
Manipur	54.63
Meghalaya	38.75
Mizoram	30.03
Nagaland	34.39
Orissa	402.61

1	2
Punjab	160.45
Rajasthan	308.23
Sikkim	23.61
Tamil Nadu	363.90
Tripura	69.01
Uttar Pradesh	985.40
West Bengal	295.81
A. & N. Islands	10.22
Chandigarh	6.49
D & N Haveli	4.15
Delhi	64.09
Goa, Daman & Diu	36.35
Lakshadweep	3.33
Pondicherry	16.95
GRAND TOTAL:	8086.83

SHRI CHINTAMANI JENA: May I know from the hon. Minister as to what are the major items on which the allotted amount earmarked under the 20-Point Programme could not be utilised? Which are the States that could not spend the money in due course? Has the hon.Minister ascertained the reasons from those States? If so, what are the reasons? What are the remedial measures taken by his Ministry so that this sort of lacunae might not be repeated in 1987-88 as well as in future while implementing the 20-Point Programme?

SHRI A.B.A. GHANI KHAN CHOUDHURY: Mr. Speaker Sir, Rs. 10,190 and odd crores was the total plan allocation for the 20-Point Programme for the year 1986-87. All this amount has been spent by various States excepting a few States. Gujarat has not been able to spend 9 per cent of the funds. They might have either diverted the money or they might not have spent it on 20-Point Programme. Maharashtra has not been able spend 8 per cent. I do not know whether they have diverted the funds. That information is not available with us. Orissa could not spend 8 per cent and in the case of West Bengal, they have not been able to spend 28 per cent of the funds. They may have diverted the money into other areas. They may not have spent it on 20-Point Programme.

Regarding remedial measures, I would say, we are constantly in touch with the State Governments and we are monitoring it. We have a monthly monitoring system. That means, the State Governments send the information direct to the Implementation Department. Then, we have a quarterly monitoring system. Under this system, quarterly report comes to nodal Ministry after vetting by the Planning Commission. That means the Implementation Ministry sends it.

SHRI CHINTAMANI JENA: My second supplementary would be as follows:

From the Annual Report of his Ministry, 1986-87, on page 12, in regard to point 3.15 (Performance), point 3 of the 20-point programme and the IRDP, point 11 (a) (Village electrification) point 13 (a) (Sterlisation) and point 14 (a) (Primary Health Centre), it appears that these programmes could not be achieved according to our targets.

So, what are the reasons for it? And also I want to know - what we noticed in the fields the land reforms, supply of clean drinking water and also village electrification are not according to the mark why these are not being achieved?

So, when the hon. Minister was replying, he said, monitoring and also follow-up actions are being taken under the 20-point programme...

SHRI A.B.A. GHANI KHAN CHOUDHURY: What is your main question?

SHRI CHINTAMANI JENA : May I know from the hon. Minister - in the Report he has mentioned that from April, 1987, the monitoring work will be started, it is now the fag end of April, 1987 - in which State his Ministry has started this monitoring programme and what are the results?

SHRI A.B.A. GHANI KHAN CHOUDHURY: In 1987, we have started monitoring more effectively. This work has started in almost in every State.

[*Translation*]

SHRI GIRDHARI LAL VYAS: Mr. Speaker, Sir, I want to know from the hon. Minister the criterion of allotment of funds? The States which could not spend the entire amount are being allocated more and the States like Rajasthan, which have spent more than the amount allocated, are getting lesser allocations. Why this discrimination when Rajasthan is the most backward State?

MR. SPEAKER: Allotment of funds is not his responsibility.

[*English*]

He is just monitoring it.

SHRI A.B.A. GHANI KHAN CHOUDHURY: Sir, there is no question of discrimination. The hon. Member must know how the 20-Point programme money comes for Plan heads. The outlays for 20 Point programme are not fixed separately and specifically. These are derived from the relevant plan heads. This is the answer.

[*Translation*]

SHRI GIRDHARI LAL VYAS: My question has not been answered. I had asked as to why allotment of funds is being increased for those States which could not spend the whole amount allocated last year and why those States which have spent more than the amount allocated are getting lesser allocations?

MR. SPEAKER : It is not his responsibility.

[*English*]

SHRI P. KOLANDAIVELU: Sir, as far as our hon. Prime Minister is concerned, he is very liberal in allocating the funds for the poverty alleviation programmes. This year, he has allocated, 63 per cent more than that of previous year. We must appreciate that.

Last year, i.e. 1986-87, you have allotted funds amounting to Rs. 10,189 crores for the poverty alleviation programme and out of that, a sum of Rs. 10,065.57 crores was spent. So, there is a surrender of Rs. 124 crores. Now, this year, after allocating more funds for all the States, for Tamil Nadu you have allocated only Rs. 363 crores. But last year, we have spent Rs. 746 crores. When we are able to spend Rs. 746 crores, you are allocating only Rs. 363 crores. Why this discrimination? When more funds are available here, and the Prime Minister has also allocated more funds, you are allocating only Rs. 363 crores. But the Plan outlay is very less. (*Interruptions*)

MR. SPEAKER: Let him reply now.

SHRI A.B.A. GHANI KHAN CHOUDHURY: Sir, I can say, effectively and with all the emphasis at my command, that there is no discrimination. These are derived from the relevant Plan heads. Every State has a Plan. (*Interruption*)

SHRI P. KOLANDAIVELU: Only according to the blocks you are allocating funds. We are having 386 blocks.

SHRI A. B. A. GHANI KHAN CHOUDHURY : It is a question of Plan money.

SHRI P. KOLANDAIVELU : Funds have to be allocated according to the blocks available in the State. That is the main criterion.

SHRI A. B. A. GHANI KHAN CHOUDHURY: The criterion is .... (*Interruptions*)

[*Translation*]

Matured Policies of Life Insurance Corporation

* 850. SHRI DAL CHANDER JAIN: Will the Minister of FINANCE be pleased to state:

(a) the number of policies of Life Insurance Corporation matured as on 31st March,1986;

(b) the number of policies against which payment has been made and also the number of policies against which payment could not be made and the reasons therefor; and

(c) the remedial steps proposed to be taken by the Life Insurance Corporation in this matter?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). A statement is given below.

Statement

(a) The number of maturity claims payable by LIC as on 31.3.86 including those remaining outstanding as on 31.3.1985 was 13,56,372.

(b) Out of the above maturity claims, 12,78,443 were settled during the year 1985-86 and 77,929 remained outstanding on 31.3.1986 due to following reasons:

(i) Basic requirements such as claims forms, original policy documents, discharge vouchers, etc., not forthcoming from the policyholders.

(ii) Claimants not traceable in respect of paid-up policies.

(iii) Delay in submission of indemnity bond for loss of original policy document.

(iv) Clearance from exchange control authorities where necessary.

(c) Some of the important steps already taken by LIC to expedite settlement of maturity claims are given below:-

(i) Sending maturity claims discharge vouchers to the policyholders well in advance of the due date.

(ii) Dispensing with production of age proof up to the sum assured of Rs. 20,000/- if the life assured's age at entry has not been admitted.

(iii) Regular review and follow up of outstanding maturity claims backed by personal visits by the field staff to contact the policyholders personally and obtain the pending requirements.

(iv) Decentralisation of claim settlement function to Branch Offices.

[Translation]

SHRI DAL CHANDER JAIN : Mr. Speaker, Sir, as stated by the hon. Minister, payment has not been made against 77 thousand policies. The Life Insurance Corporation makes every effort to bring more and more people under its schemes but during the time of payment of maturity claims, the claimants have to face a lot of difficulties and payments are held up for petty reasons. What action will the hon. Minister take to ensure that such difficulties are removed ? Besides, will additional interest be given to those claimants whose payment has been delayed and there are more than 77 thousand such cases?

[English]

SHRI JANARDHANA POOJARY: Here, the number of maturity claims payable, as on 31.3.1986 by LIC was 13,56,372. Out of that, we have settled 12,78,443 claims. So far as the remaining 77,929 policies to be settled are concerned, in some of the cases we did not get the original documents, discharge vouchers, policy documents and even claim forms. In some cases the claimants are not traceable. But that does not mean that we should not take action. Action is being taken; and our performance has been much better, even compared to foreign countries. That type of figures are available.

So far as interest is concerned, when the reason for the claim not being settled lies with the claimant, we are not in a position to give any interest.

[*Translation*]

SHRI DAL CHANDER JAIN: Mr. Speaker, Sir, first my question regarding the payment of interest until the settlement of claim made has not been answered.

Secondly, there should be an office to assist people in the settlement of their claims. Will the hon. Minister make any such arrangements?

[*English*]

SHRI JANARDHANA POOJARY: There is a Claim Review Committee at the zonal level as well as at the corporate level, to settle claims as also to redress the grievances; and this is functioning very effectively. Here, for the benefit of the hon. Member I may bring to his notice that in 1981-82 the pendency was 12.23%. Now that has been reduced to 5.75%. In the case of death claims and maturity claims, the percentage of pending cases was 13.85%. It has been reduced to 6.86%. In the case of death claims alone, the pendency was 26.6%, and it has been reduced to 18.6%.

SHRI HAROOBHAI MEHTA: Has the Government come across any cases where the delay in payment of this due has been attributable to the officer concerned; is so, the number of cases in which action has been taken against the officer concerned?

SHRI JANARDHANA POOJARY: Wherever it is due to the delibrate action or deliberate negligence of the officer concened, action has been taken. The actual number of cases is not available with me.

[*Translation*]

MR. SPEAKER: Bairagiji, do you want to put a question?

SHRI BALKAVI BAIRAGI: Sir, I want to ask one question.

AN HON. MEMBER: Why are you getting involved in Life Insurance?

MR. SPEAKER: Good, he has at least got rid of his involvement with opium.

SHRI BALKAVI BAIRAGI: I will talk about opium later on. Mr. Speaker, Sir, the hon. Minister in part (c) of his reply has stated that some steps to improve the situation are under consideration. The percentage of pending cases is much less. However. in view of the vastness of the country and the scope of this business, it is a substantial percentage. We expect you to accelerate the pace of the disposal of pending cases for which the entire work at the district level and S.D.O level should be computerised. Do you have any such proposal under consideration?

[*English*]

SHRI JANARDHANA POOJARY: Some of the important steps taken by LIC to expedite settlement of the maturity claims have been set out in the main reply. So far as computerisation is concerned, the process is on and we are at it.

Alleged Misuse of Foreign Exchange by Public Sector Undertakings

*854. SHRI ATISH CHANDRA SINHA†:
SHRI BANWARI LAL PUROHIT:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of certain cases of alleged misuse of foreign exchange by public undertakings;

(b) if so, the details thereof and whether any investigation has been conducted in this regard; and

(c) the outcome of the investigations and the action taken in the matter?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) to (c). Public Sector Undertakings are expected to follow the rules and directions of Government in regard to the use of foreign exchange. All managements of public sector are required to monitor the use of Foreign Exchange carefully. In the absence of specific information as to which cases of alleged misuse are referred to in the question, it is not possible to furnish the details asked for in (b) and (c).

SHRI ATISH CHANDRA SINHA : What are the rules and directions of the government in regard to the use of foreign exchange issued to the public sector undertakings?

SHRI BRAHMA DUTT: The directions and the rules are the same which are contained in or which are part of the FERA. They should not be violated and we have asked them to monitor them strictly; that I have already said. Mal practices which arise out of violation of the FERA should not be indulged in. These are the general outlines.

SHRI ATISH CHANDRA SINHA: There is a company called 'K.F.W. - a West German Government Financial Institution. This company has extended no less than 430 million DM, that is, amounting to about Rs. 258 crores for a gigantic expansion project of Neyveli Lignite Corporation. This Neyveli Lignite Corporation, according to our information, is misuing this money by giving orders for spreaders and bucket wheel excavators to a particular West German Company called 'MAN' and its Indian counterpart WMI. May I know whether the Ministry of Finance have received any representation from the MPs of this House or from other quarters regarding the alleged misuse of foreign exchange by Neyveli Lignite Corporation; if so , is any impartial enquiry going to be instituted?

SHRI BRAHMA DUTT: It should have been better and I would have been in a better position if the hon. member would have mentioned about the question. But, certainly, a complaint was received and we had examined it in consultation with the Department of coal; and we found that there was no basis in the complaint. Basically, it had to do with two German firms which had tendered for supplying something. This much information I have got, that this complaint was examined in consultation with the Department of Coal and it was found that there was no basis for it.

[*Translation*]

SHRI BANWARI LAL PUROHIT: Mr. Speaker, Sir, I want to ask the hon. Minister as to how many such Public Undertakings are there about which you have been receiving complaints of misuse of foreign exchange for the past one or two years, and out of them, in how many cases inquiries were conducted and how many were found guilty? Which are the Undertakings against whom charges of misuse of foreign exchange have been established?

SHRI BRAHMA DUTT: Mr. Speaker, Sir, I have already stated that if we had received a specific complaint, it would have been possible to give complete information. Generally speaking, we have not received such complaints. I had informed the hon. Member regarding one specific complaint. He had one more complaint in which some technical lapse was found.

MR. SPEAKER: After you get the information, let us know about it.

[*English*]

Dr. P. Vallal Paruman. The hon. Member is absent.

Shri P.R.S. Venkatesan.

Launching of Indian Satellites by Soviet Booster Rocket

*856 SHRI P.R.S. VENKATESAN†:
SHRI H.N. NANJE GOWDA:

Will the PRIME MINISTER be pleased to state:

(a) whether two Indian satellites are likely to be launched by a Soviet booster rocket;

(b) the details of benefit likely to be derived from the two Indian satellites;

(c) the likely date by which the launch will take place; and

(d) the total expenditure involved therein?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARA-YANAN): (a) to (d). A statement is given below.

Statement

(a) The first in the series of Indian Remote Sensing Satellites (IRS-1A) will be launched by a Soviet Rocket Carrier. The second in the series, IRS-1B, will also be launched from abroad. However, details regarding the launch including the launch vehicle selection and schedule of launching will be decided later.

(b) The Indian Remote Sensing Satellite is expected to provide high quality satellite data for use in a variety of disciplines, such as Forestry, Hydrology, Geology and Agriculutre.

In the area of forestry, classification of different types of trees in forests, information on their stages of growth, etc., can be obtained leading to estimates of forest wealth and a continuous monitoring of the increase/reduction in forest cover. Also valuable information on water resources including information on snow cover, surface runoffs, reservoir areas, drainage network, flood mapping etc., can be obtained. Hydro-geological features will provide information on ground water. These data would assist in the effective planning for use of water resources.

Also, geological information from Satellite Remote Sensing will provide data on structural geology, mineral exploration, mapping and map updating. In coastal oceanography, identification and location of sea food, surveillance of coastal erosion, coastal currents, sedimentation, marine pollution, etc., will be possible through use of appropriate satellite data.

Useful information can be obtained from IRS imageries in relevant areas of agriculture, such as cultivation of land area covered by various crops, areas under different types of irrigation, soil type and soil association, range land, waste land etc. Useful information on agricultural statistics such as crop yield prediction and damages caused by water stress, nutrient stress, etc., will also be available.

IRS will not, however, be directly useful in Meteorology related observations.

Thus, a large data base could be created in the areas of Forestry, Hydrology, Geology and Agriculture for monitoring and for effective use of national natural resources and for the protection of environment.

(c) The launch of IRS-1A is expected to take place during the current year 1987. The launch of IRS-1B is nominally scheduled for 1989/90 but will be finally decided after reviewing the performance of IRS-1A.

(d) The Indian Space Research Organisation (ISRO) is to pay Rs. 7.50 crores to USSR Foreign Trade Agency LICENSINTORG (LIT) for the launch of IRS-1A and other related services.

SHRI P.R.S. VENKATESAN: I want to know whether we will be in a position to create facilities for launching of the above satellite within our country.

SHRI K.R. NARAYANAN: Yes, we will be in a position to launch the satellite with our own launch vehicle which we are developing. But IRS-1A and the next flight of IRS-1B will be from abroad. By early 'nineties we hope to develop the capability of the PSLV launch for launching our own IRS Statellite.

SHRI P.R.S. VENKATESAN: I want to know whether the Southern region is more suitable for this purpose.

SHRI K.R. NARAYANAN: Yes, already our launching station is in Sriharikota which is in the South. We have also got lauching facilities in Trivandrum.

MR. SPEAKER: Shri C. Madhav Reddi. The hon. Member is absent.

Shri Krishna Rao.

Amendment to Air (Prevention and Control of Pollution) Act, 1981

* 858. SHRI V. KRISHNA RAO: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether the Government propose to bring an amendment to the Air (Prevention and Control of Pollution) Act, 1981;

(b) if so, the time by which it will be introduced; and

(c) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI): (a) Yes, sir.

(b) and (c). A proposal to amend the Air (Prevention and Control of Pollution) Act, 1981 is under the consideration of the Government.

SHRI V. KRISHNA RAO: What are the steps taken to prevent smoke pollution of motor vehicles in cities like Delhi, Bombay, Calcutta, Madras and Bangalore?

SHRI Z.R. ANSARI: Under the Air (Prevention and Control of Pollution) Act, 1981, certain steps have been taken with regard to the monitoring of the pollution levels as well as fixing the standards for air quality in different locations.

As far as the monitoring stations are concerned, 43 monitoring stations have been established for air pollution monitoring at different locations including Hyderabad, Cochin, Baroda, Agra, and different places. These are the monitoring stations which have been established by the Central Pollution Control Board.

Then there is National Environment Engineering Research Institute, Nagpur. It has established certain monitoring stations at Ahmedabad, Bangalore, Cochin, Calcutta, Delhi, Hyderabad, Jaipur, Kanpur, Nagpur and Madras.

After passing the Environment Protection Act the standards for the air quality and water quality are being fixed for different specific industries. For industries like castic soda, man-made fibre, oil refineries, sugar, thermal power plants, cotton textiles, composite woollen mills, cement, electroplating, dyes, etc. the standards have been fixed. For other industries, on a priority basis, the preparation of standards is under process.

SHRI V. KRISHNA RAO: Which is the largest polluted city in India in motor vehicles?

SHRI Z.R. ANSARI: I do not have the comparative figures of different cities. But I can say that as far as air pollution is concerned, Delhi and Bombay are in competition with each other.

DR. DATTA SAMANT : Government is considering to amend the Air Pollution Control Act. We are facing the problem in Bombay. The existing old factories like Union Carbide, Digvijay Cement Mills, are taking advantage of the amendment even before it is done, and are trying to close down their units and shift them outside where thousands of workers will be retrenched. I am facing the same problem in three of four factories. They are taking the issue to the municipality or somewhere. Though the Government is not allowing them to close the units, on the plea of pollution they are doing it. So laws are used by the employers and industrialists to shift the industries from the cities. What is happening in Bombay? Union carbide has given a notice to the Government that they are going to close the unit because something like what happened in Bhopal may be repeated. And about 2000 workers will be retrenched. I ask a categorical question. While making this amendment, will the existing industries in the cities not be allowed to shift or this clause may not be used by the employers to shift the industries? About new industries one can understand that they should not be allowed in cities. If there is pollution, steps may be taken to prevent pollution and the employers should be forced to act accordingly.

SHRI Z.R. ANSARI: About setting up of industries which are polluting the environment and also shifting of industries from those areas which are fragile and where the population is more and the pollution may cause certain very hazardous incidents, the policy is that we just go by case by case study. If there is a case that the industry in a particular locality may cause pollution hazardous to the human population residing there, we shall ask such industry to shift.

DR. DATTA SAMANT: The existing industries should remain.

MR. SPEAKER: Do you want have to come this way, not that way?

SHRI Z.R. ANSARI: It all depends upon the total picture of the environment of that locality. If in a particular place we find that there is a serious danger to environment we shall certainly ask the industry to shift from that area.

SHRI MUKUL WASNIK: Mr. Speaker, some slides have been prepared by one Mr. Anil Aggarwal which have been displayed at Consultative Committees of the various Ministries to create an awareness about the problem of pollution and soil erosion. May I know from the hon. Minister whether any strategy is being developed to create awareness about the problems of pollution and soil erosion which can reach at the district level and the village level keeping the problems at the local levels into mind?

SHRI Z.R. ANSARI: Sir, to create awareness among the people is a continuous process and the Government is very much alive to this problem of creating awareness and educating the people because half of the problem is that of the not being aware of the hazards which are being caused by these pollutions. We are utilising every machinery-mass media, Press, radio, T.V.- and seminars are also being held. All these things are being done in order to create more and more awareness to seek the cooperation of the general people to improve the environment.

SHRI ATAUR RAHMAN: Mr. Speaker, Sir, as regards pollution, there are several kinds of pollution. One is industrial pollution, the other kind of pollution which we normally face is pollution by various types of transport. One of the Members here raised a very pertinent question about pollution by fumes emitted by motor vehicles. I am told that the Motor Vehicles Act is being amended or is being modified, or a new Act is probably being brzought in. I would like to know whether this aspect of pollution will be taken care of while bringing in the new Motor Vehicles Act, and whether any instructions would be given to the Minister of Transport, though it is not strictly the Environment Minister's portfolio.

MR. SPEAKER: He will refer it.

SHRI Z.R. ANSARI: Sir, the shortest answer to this question is 'Yes, Sir,.

[*Translation*]

MR. SPEAKER: The first part is longer than the answer.

[*English*]

SHRI INDRAJIT GUPTA: Sir, I am sure the hon. Minister has noticed, as most of us have done who live in Delhi, that there is a standing monument here to our lip-service to anti-pollution, and that is the Headquarters of the World Health Organisation. Its building is situated just next to the Indraprastha Thermal Power Station which is throwing out so much pollution everyday. So, it looks very odd in the capital city. Either something should be done to check this pollution from the power station or the WHO may be persuaded to shift their office from there. It looks very bad standing next to Indraprastha Thermal Power Station.

[*Translation*]

MR. SPEAKER: Then the situation would deteriorate further.

SHRI INDRAJIT GUPTA: Please do something about it. Photographs of the Indraprastha Power Station situated just next to the WHO Headquarters and causing pollution are being released in the international press.

[*English*]

SHRI Z.R. ANSARI: Sir, as far as the air pollution caused by this thermal power station is concerned, an action has been taken. Actually, the Pollution Control Board had gone a long way to prosecute DESU for creating this pollution. We have taken up the matter with all the thermal power stations and they have given an assurance and have fixed a time-bound programme that by that time they will instal pollution control devices.

SHRI INDRAJIT GUPTA: By which time?

SHRI Z.R. ANSARI: Sir, I do not have the details of the time, but since the hon. Member is so much interested, I will certainly give the time-bound programme which has been given by them. Some of them have placed orders, some of them have fixed the deadline that by that time it will be completely installed.

PROF. N.G. RANGA: We all support Mr. Indrajit Gupta.

SHRI E. AYYAPU REDDY : Sir, I would like to know whether the Government is prescribing any standard technological devices or machinery which compulsorily each industry must have for the purpose of preventing air pollution. Are you having any technological research cell with the Department to advise the industries as to what methods they have to devise and adopt for the purpose of preventing pollution?

SHRI Z.R. ANSARI: The Ministry is prescribing standards of the air quality and water quality. As far as the devices are concerned, it is being left to the will of the industries themselves. In what we are interested is that the omission which comes out from that industry should have this standard and not beyond that. If we just prescribe certain devices, certain burden may be on us.

WRITTEN ANSWERS TO QUESTIONS

[*English*]

National Housing Bank

*840. SHRI JAGANNATH PATTNAIK:
SHRI SATYENDRA NARAYAN SINHA:

Will the Minister of FINANCE be pleased to state:

(a) whether the proposed National Housing Bank will have to borrow heavily from the capital market to raise fund;

(b) if so, whether the Bank will give loans at comparatively higher rates;

(c) the impact of higher rates on low income and economically weaker sections of society;

(d) whether Government propose to subsidise the Bank's rate of interest; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) to (e). It is proposed to set up a National Housing Bank (NHB) with an equity contribution of Rs. 100 crores by the Reserve Bank of India. A suitable legislation, in this regard, will be brought before Parliament shortly. The NHB would extend refinance facility to housing finance institutions which, in turn, would provide loans to ultimate borrowers. The amount and sources of borrowings, the interest rate structure and other operational details will be worked out by NHB in consultation with Reserve Bank of India and Government as necessary, after it is set up. There is no proposal for the present for giving any interest subsidy by the Government to NHB.

Bank Computerisation

*841. SHRI A.J.V.B. MAHESWARA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government are monitoring the computerisation scheme in the banking institutions; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a, and (b). Computerisation and mechanisation in the banks is monitored by Reserve Bank of India (RBI) on a continual basis through meetings and periodical returns obtained from banks. The progress is also reviewed by Government from time to time.

Seizure of Gold Bars by Bombay Customs

*842. SHRI M. RAGHUMA REDDY:
SHRI DHARAM PAL SINGH MALIK:

Will the Minister of FINANCE be pleased to state:-

(a) whether Bombay Customs recently seized gold bars concealed in the rope supporting the pulley of a mechanised countrycraft from Dubai as reported in the Hindustan Times dated 4 April, 1987;

(b) if so, the details thereof;

(c) the quantity and value of gold seized;

(d) whether any arrest has been made; and

(e) action taken against the persons responsible for smuggling?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (e). The facts of the case referred to in the news-item are as given below:-

On 2nd April, 1987 in pursuance of an information, the Officers of Customs (Preventive) Collectorate, Bombay intercepted one country craft M.S.V. "AL-BUKHARI" on its arrival from Dubai with a consignment of wet dates, Asafoetida and Almonds. On rummaging the craft, 85 gold bars of 10 tolas each, 2 cut pieces of gold bars and 9 pendants of assorted weight, collectively weighing about 10 Kgs. valued at Rs. 25.92 lakhs were recovered and seized under the Customs Act. The gold was found ingeniously concealed in a rope supporting the front side of a pulley near top of the mast of the craft. The craft has also been seized. In this connection, tindel and sarang of the craft have been arrested.

Foreign Exchange to Tourists Visiting Neighbouring Countries

*843. SHRI Y.S. MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) the number of Indians visiting abroad for short periods who availed of Foreign Travel Scheme during 1986 and the total amount of foreign exchange involved on this account;

(b) the number of Indians among them who visited the neighbouring countries like Bangladesh, Pakistan, Afghanistan, Sri Lanka and Burma; and

(c) the efforts made to check drain on foreign exchange taken by the tourists who visit adjoining countries?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) to (c). Information regarding number of Indians who availed of exchange facilities under Foreign Travel Scheme during 1986 is not readily available. However, during the year 1985, 3,57,458 persons availed of Foreign Travel Scheme and foreign exchange worth Rs. 196.82 crores were released to them. With effect from 7th April, 1986, visits under Foreign Travel Scheme (FTS) and Neighbourhood Travel Scheme (NTS) have been made mutually exclusive. In other words, when the visits is only to countries in the group of specified neighbourhood country namely, Bangladesh, Burma, Malaysia, Maldive Islands, Mauritius, Pakistan, Seychelles Islands and Sri Lanka, the traveller will be eligible to apply for exchange quota only under NTS and not under FTS. FTS facilities can be availed of for visiting Afghanistan. However, the efforts involved for collecting the information on this account would not commensurate with the results to be achieved.

2. In order to restrict foreign exchange outgo on visits under FTS, NTS, following changes were introduced w.e.f. 7th April, 1986:

i) FTS as well as NTS will be available once in 3 calendar years instead of once in two calendar years.

ii) If the visit is only to countries where NTS is applicable, the traveller will be eligible to apply for exchange quota only under NTS and not under FTS.

iii) Minor children upto the age of 12 years will be eligible to draw exchange at half the normal FTS/NTS quota.

iv) If traveller holding a renewed passport is unable to produce his previous passport, he will be eligible to avail of exchange under the scheme only on completion of two full calender years covered under his current passport.

v) It has been reiterated that it is absolutely necessary for authorised dealers and full-fledged money changers to insist on personal appearance and identification of the traveller in case of sale of foreign exchange under FTS/NTS.

Application of Central Sales Tax at Uniform Rates in all States

*845. SHRI S.M. GURADDI: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 2818 on 21 November, 1986 regarding uniformity in sales tax and state:

(a) whether Government propose to take steps so that the Central Sales Tax is made applicable to all commodities in all the States and Union Territories on a uniform basis in place of the sales-tax now being administered by States under their own Sales Tax Act; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). Central sales tax is levied under Central Sales Tax Act, 1956 on inter-State sales or purchases of goods. Revenue from Central sales tax has been assigned to the States under Article 269 of the Constitution. Administration of Central Sales Tax Act, 1956 has also been entrusted to the States who assess, collected and retain the proceeds of Central sales tax. Local sales tax on sale or purchase of goods taking place within a State is a State subject of taxation under the Constitution. Local sales tax is, therefore, levied by the States under their own Sales Tax Acts. As Central sales tax is levied on inter-state transactions and local sales tax is levied on intra-state transactions, the question of levying Central sales tax in place of local sales tax does not arise.

Sixth Antarctica Expedition

*846. DR. KRUPASINDHU BHOI: Will the PRIME MINISTER be pleased to state:

(a) whether any re-appraisal has been made regarding the work done by the Sixth Antarctica Scientific Expedition; and

(b) if so, the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) No, Sir. The appraisal of the work done by the scientific expeditions to Antarctica is made by a Technical Evaluation Committee about three months after the return of the expedition and this will be done during the debriefing of the sixth Indian Antarctic Expedition in June, 1987.

(b) Does not arise.

[*Translation*]

Upliftment of Backward Classes of U.P.

*851. SHRI HARISH RAWAT: Will the Minister of WELFARE be pleased to state:

(a) the amount allocated to Uttar Pradesh for upliftment of backward classes during the Seventh Plan period; and

(b) the amount proposed to the spent by the State Government on the upliftment of these classes during 1987-88 ?

THE MINISTER OF STATE IN THE MINISTRY OF WELFARE (DR. RAJENDRA KUMARI BAJPAI): (a) and (b). According to their plan, the State Government of Uttar Pradesh have provided 1055 lakhs for the Seventh Plan and Rs. 262 lakhs for 1987-88 for upliftment of other Backward Classes. This is besides the amount for SC & STs.

[*English*]

New 20-Point Programme

*852 DR. B.L. SHAILESH:
SHRIMATI BASAVARAJESWARI:

Will the Minister of PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether the new 20-Point Programme has since been launched;

(b) if so, the main features thereof;

(c) the details of the various schemes which have a crucial bearing on the eradication of poverty;

(d) to what extent this programme will be more beneficial and result-oriented; and

(e) the machinery devised for its proper implementation?

THE MINISTER FOR PROGRAMME IMPLEMENTATION (SHRI A.B.A. GHANI KHAN CHOUDHURY): (a) Yes, Sir. 20-Point Programme - 1986 has been launched from 1st April, 1987.

(b) The 20-Point Programme - 1986 lays stress on eradicating poverty, raising productivity, reducing income inequalities, removing social and economic disparties and improving the quality of life.

(c) The important schemes having a crucial bearing on eradication of poverty included in the 20-Point Programme -1986 are: Integrated Rural Development Programme, National Rural Employment Programme, Rural Landless Employment Guarantee Programme, Enforcement of Land Reforms, Special Programmes for rural labour including Rehabilitation of Bonded Labour and Justice to Scheduled Tribes and Scheduled Castes, etc.

(d) The programme lays thrust on poverty alleviation programmes and creation of fuller employment and with the improved and effective implementation and monitoring arrangements it is expected that the 20-Point Programme - 1986 would be more result oriented.

(e) The Programme is being implemented mainly by State Governments and Union Territory Administrations and they have been advised to strengthen the implementation and monitoring machinery for effective implementation the Programme.

Opening of Gramin Bank Branch in Bihar

*853. SHRI RAM BAHADUR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the proposal to open Gramin Bank branch at Derni in Bihar has been finalised; and

(b) if so, when the proposed branch is likely to start functioning ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (b). Under the branch expansion policy for the Seventh Plan period, the allotment of centres in rural and semi-urban areas to various banks, including the Regional Rural Banks, is to be made by the Reserve Bank of India (RBI) on the basis of lists of identified centres sent to it by the State Governments. The RBI has reported that it has received lists of identified centres in respect of sixteen districts of Bihar and the centre Derni does not figure in the lists received so far.

Excise Relief to Small Rubber Units

*855. DR. P. VALLAL PERUMAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to grant excise duty relief to camel back and tread-rubber to protect the small units engaged in retreading and other ancillary units;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Government have received certain representations requesting for reduction in excise duty on tread rubber, camel back and other similar retreading materials manufactured by small-scale units. The decision on these requests will be announced in due course.

External Commercial Borrowings

*857. SHRI C. MADHAV REDDI: Will the Minister of FINANCE be pleased to state:

(a) the estimates of funds to be raised externally through commercial borrowings by Government during the Seventh Plan;

(b) whether Government propose to review expenditure in hard currency on some of the projects and if so, the details thereof; and

(c) whether any savings on Government expenditure are also proposed to keep our borrowings to the minimum for foundation development work ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Seventh Plan provides for a total inflow, at 1984-85 prices, of Rs. 20,900 crores over the Plan Period, by way of net aid and other borrowings. There is no fixed target for commercial borrowings separately. The extent of commercial borrowings would depned upon the flow of aid, requirements of foreign exchange for different projects and international market conditions. All projects are appraised and evaluated in terms of expenditure in local currency as well as in foreign currencies and they are sanctioned keeping in view the necessity to minimise the foreign exchange outgo as much as possible. Review of project costs, including the foreign exchange component, is a continuous process with a view to ensure commissioning/implementation with minimum outlay. Instructions have also been issued to effect economies in expenditure to various Ministries and Departments.

Development of Processes in CSIR Laboratories

*859. DR. A.K. PATEL:
SHRI C. JANGA REDDY:

Will the PRIME MINISTER be pleased to state:

(a) which of the CSIR Laboratories were able to develop during 1983-84 technical processes worth filing for patent;

(b) the Laboratories which could not develop any process in that period;

(c) the expenditure incurred on those Laboratories; and

(d) the remedial measures taken or to be taken in respect of those Laboratories?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) to (d). Statements-I and II are given below.

Statement - I

(a) CSIR Laboratories that had some patentable activities during the year 1983-84.

1. Central Building Research Institute, Roorkee
2. Cenntral Drug Research Institute, Lucknow
3. Central Electrochemical Research Institute, Karaikudi
4. Central Electronics Engineering Research Institute, Pilani
5. Central Fuel Research Institute, Dhanbad
6. Central Food Technological Research Institute, Mysore
7. Central Glass & Ceramic Research Institute, Calcutta
8. Central Institute of Medicinal & Aromatic Plants, Lucknow
9. Central Mechanical Engineering Research Institute, Durgapur
10. Central Leather Research Institute, Madras
11. Central Mining Research Station, Dhanbad
12. Central Salt & Marine Chemicals Research Institute, Bhavnagar
13. Indian Institute of Chemical Biology, Calcutta
14. Indian Institute of Petroleum, Dehradun
15. National Aeronautical Laboratory, Bangalore
16. National Chemical Laboratory, Pune
17. National Environmental Engineering Research Institute, Nagpur.
18. National Geophysical Research Institute, Hyderabad
19. National Metallurgical Laboratory, Jamshedpur
20. National Physical Laboratory, New Delhi
21. Regional Research Laboratory, Bhubaneswar
22. Regional Research Laboratory, Hyderabad
23. Regional Research Laboratory, Jorhat
24. Structural Engineering Research Centre, Roorkee.

Statement - II

(b) CSIR Laboratories that did not develop either patentable or non-patentable processes during the year 1983-84.

1. Centre for Cellular & Molecular Biology, Hyderabad
2. Central Road Research Institute, New Delhi
3. Central Scientific Instruments Organisation, Chandigarh
4. Industrial Toxicology Research Centre, Lucknow

5. Institute of Microbial technology, Chandigarh
6. National Botanical Research Institute, Lucknow
7. Regional Research Laboratory, Trivandrum
8. Regional Research Laboratory, Bhopal
9. National Institute of Oceanography, Goa
10. National Instt. of Science, Technology & Development Studies, New Delhi.
11. Publications & Information Directorate, New Delhi
12. Indian National Scientific Documentation Centre, New Delhi
13. Structural Engineering Research Centre, Madras
14. Regional Research Laboratory, Jummu

(c) The combined budget of these Laboratories/Institutes in 1983-84 was Rs. 2,489.781 lakhs.

(d) All CSIR Laboratories are not equally expected to file patents nor are all R&D activities equally amenable to patenting, R&D activities in all Laboratories are periodically reviewed by their Research Advisory Councils and recently the CSIR Review Committee has also given its recommendations which are under examination. All steps necessary to improve performance will be taken.

Training Programme for Award Staff and Officers on Reservation Policy

8402. SHRI BANWARI LAL BAIRWA:
SHRI SIMON TIGGA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government had given instructions to nationalised banks in April, 1985 that sufficient lectures regarding Government policy on reservation should be included in the training programmes for award staff and officers;

(b) whether this policy has been implemented by nationalised banks;

(c) the names of the banks which have implemented the policy instructions and details of hours percentage/lecture percentage allotted to lectures on reservation policy, for award staff and officers training programmes separately; and

(d) whether Bank of Baroda is following the instructions and if not, the reasons thereof?

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

(b) to (d). The following nationalised banks, including Bank of Baroda, have reported that they are following the Government instructions regarding inclusion in the training curriculla for their officers and/or award staff regarding reservations for Scheduled Castes and Scheduled Tribes:-

1. Central Bank of India
2. Bank of India
3. Punjab National Bank
4. Bank of Baroda
5. UCO Bank
6. Canara Bank
7. United Bank of India
8. Dena Bank
9. Syndicate Bank
10. Union Bank of India
11. Allahabad Bank
12. Indian Bank
13. Indian Overseas Bank
14. Corporation Bank
15. Oriental Bank of Commerce
16. Vijaya Bank
17. New Bank of India

As per the information made available by a few banks, time allotted for lectures on reservation policy for Scheduled Castes and Scheduled Tribes varies from one hour to two hours.

Advertisement Expenditure by U.T.I.

8403. SHRI N. DENNIS: Will the

Minister of FINANCE be pleased to state:

(a) whether the Unit Trust of India has been advertising about its programmes in Tamil Nadu newspapers; and

(b) the expenditure incurred on these advertisements during the year 1986-87 ?

THE MINISTER OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) Yes, Sir,

(b) Unit Trust of India has incurred Rs. 11.33 lakhs on advertisements in Newspapers/magazines in Tamil Nadu from 1.7.86 till date.

Centre for Advanced Technology at Indore

8404. SHRI MOHANBHAI PATEL: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to set up a Centre for Advanced Technology at Indore;

(b) when it is likely to be established and the approximate cost involved; and

(c) the details of research work likely to be taken up at this Centre?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) Yes, Sir.

(b) The project estimated to cost Rs. 62.66 crores is expected to be completed during the early part of the VIIIth Plan.

(c) Research on advanced lasers and accelerators will be undertaken at this Centre.

Adoption of Villages in H.P. for Rural Development by Nationalised Banks

8405. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to refer to the reply given to Starred Question No. 469 on 23 August, 1985 regarding adoption of villages for rural development by nationalised banks and state:

(a) the names of the villages adopted by each of the nationalised banks as also the State Bank of India and its affiliates in Himachal Pradesh, district-wise during the last three years and the facilities given to these villages;

(b) if so, the names of those villages which have been selected for adoption during 1987-88; and

(c) if no village has been selected so far, the likely date by which the selection would be made and the procedure for adoption?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). Details of number of villages adopted in Himachal Pradesh under the Village Adoption Scheme by the public sector banks during the last three years and the amount outstanding in the loan accounts serviced in these villages are indicated below:

Period	No. of villages adopted	Amount outstanding (Rs. in Lakhs)	
1	2	3	
July 1982 – June 1983	2871	As at the end of June 1983	823.12
July 1983 – June 1984	4188	As at the end of June 1984	1354.73

1	2	3	
July 1984 June 1985	4131	As at the end of June 1985	1570.95

Information regarding the names of villages adopted is not readily available.

Public sector banks adopt villages with the intention of doing intensive lending in the area and to take special interest in the development of the village. Assistance is provided for all viable activities suitable for the area including guidance for the formulation of bankable schemes. The main objective is to promote integrated development of the village economy and encourage schematic lending instead of scattered lending.

The banks do not have a system of yearwise projection of the number of villages to be adopted. Hence the details of the villages that may be adopted by the banks during 1987-88 are not available at present.

Incentives to Electronic Industry

8406. SHRI H.B. PATIL: Will the PRIME MINISTER be pleased to state:

(a) whether Government are aware that the inhibiting factor to the growth of electronics industry is the requirement of large working capital disproportionate to the fixed assets, like land, building and machinery;

(b) whether Government propose to extend concessions like lower interest rate, subsidy and security margin to the working capital invested in the electronics industry?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) Yes, Sir. This is mainly true for assembly oriented products for consumer markets.

(b) There is no specific proposal on concessions being considered by the Government.

Linkages in Science and Technology Programmes for Implementation of Seventh Plan Schemes

8407. SHRI LAKSHMAN MALLICK: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to effect some structural changes to etablish linkages in science and technology programmes for effective implementation of the Seventh Plan Schemes;

(b) if so, the details of the proposal, and

(c) whether all the State Governments have been asked by the Planning Commission to set up independent department of science and technology?

THE MINISTER OF STATE IN THE MINISTRY OF SCEINCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE(SHRI K.R. NARAYANAN): (a) and (b). To give necessary thrust to major areas of science and technology such as Environment, Ocean Development and Non-Conventional Sources of Energy, new scientific departments were established during the Sixth Plan. Further during the 7th Plan Department of Scientific and Industrial Research and Department of Biotechnology have been set up.

A new concept of implementing some science and technology programmes in mission mode has been mooted in the 7th Plan. Five Technology Missions and 8 Science & Technology Projects in the Mission mode are being implemented in the areas of Health and Medical Sciences, Provision of Drinking Water, Removal of Illiteracy, Better communication, Edible Oil seeds, Bio-technology, Remote Sensing and New Energy Sources.

(c) Department of Science and Technology has evolved a programme to promote science and technology at the state level through the establishment of state councils of science and technology in various States/Union Territories. State Councils on Science and Technology and / or State Departments of Science and Technology have been set up in almost all the States and Union Territories.

[*Translation*]

Special Assistance for Development of Bastar

8408. SHRI MANKURAM SODI: Will the Minister of PLANNING be pleased to state:

(a) whether Government had announced in 1985 a special assistance for the development of Bastar district;

(b) if so, whether the amount has since been disbursed and utilised; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) No, Sir.

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

[*English*]

Release of Processes to Industry by CSIR

8409. SHRI K. PRADHANI: Will the PRIME MINISTER be pleased to state:

(a) the number of processes referred by the Council of Scientific and Industrial Research to the National Research Development Corporation for commercial exploitation till the end of December, 1986;

(b) the number of processes released to the industry on payment of premia and royalty;

(c) the amount of premia and royalty received; and

(d) the fate of the remaining processes?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENTS, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) A total of 1682 processes have been referred till December, 1986 to National Research Development Corporation (NRDC) by Council of Scientific and Industrial Research (CSIR). Out of these processes 228 have been dropped/withdrawn due to obsolescence and other factors. Another 112 processes have been released free to industry leaving 1342 processes for commercial licensing to industry.

(b) A total of about 900 processes have been licensed to industry on payment of premia and / or royalty.

(c) The total amount of premia and royalty received is as follows:

Premia	Rs. 2.90 crores
Royalty	Rs. 7.11 crores

(d) Efforts are being made to license those of the processes that are contemporary. However, some could not be licensed because of the following reasons:

(i) Changed market conditions for the product / raw material/inputs,

(ii) Obsolescence of technology,

(iii) Non-viability

(iv) Adequate capacity already set up.

Setting up of Quality Testing Centre in Calcutta

8410. SHRI SANAT KUMAR MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether the officials of the Industrial Development Bank of India eastern region, met the representatives of industry associations, technical institutes and other professional bodies in Calcutta recently to discuss the possibility to setting up of a quality testing centre (QTC) for small scale industries;

(b) if so, the outcome thereof;

(c) the technical and other assistance proposed to be provided by the IDBI and other agencies for the setting up of the centre; and

(d) the proposed location of the centre?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a), (b) and (d). The Industrial Development Bank of India (IDBI) have reported that a meeting was held in their Eastern regional office in Calcutta to consider the possibility of setting up of quality testing centre. The meeting was attended by Secretary (Industry) Government of West Bengal, representatives of Bengal National Chambers of Commerce, Principals of Engineering colleges in and around Calcutta and Federation of Engineering Industry. No clear proposal for setting up the quality testing centre, however, has emerged yet.

(c) Under the scheme for setting up of quality control centres, the IDBI would provide assistance by way of grant and soft term loan upto Rs. 25-30 lakhs for such centres for meeting the cost of equipment instruments, gadgets etc. Such centres may be sponsored by Industries Association, Technical Institutes or similar bodies who would have to meet the day-to-day expenses for running the centre.

Plan Outlay for Science and Technology for Kerala

8411. SHRI T. BASHEER: Will the Minister of PLANNING pleased to state:

(a) whether Government have finalised the annual plan outlay for 1987-88 for development of Science and Technology for the State of Kerala; and

(b) if so, the amount and the details thereof?

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) Yes, Sir,

(b) An outlay of Rs. 620 lakhs have been agreed to under Science & Technology and Environment. The details of the schemes are in Statement given below.

Statement

Name of scheme/project

I. SCIENTIFIC RESEARCH

1. State Committee in Science, Technology and Environment.
2. Formation of a Department of Science, Technology and Environment.
3. Lal Bahadur Sastri Engineering Research & Consultancy Centre.
4. Sree Chithra Thirunal Institute for Medical Science & Technology.
5. Electronic Research and Development Centre.
6. Centre for Informatics Research and Advancement.
7. Kerala Forest Research Institute.
8. Centre for Water Resources Development and Management.
9. Centre for Development Studies.
10. Centre for Earth Science Studies.
11. National Transportation Planning and Research Centre.
12. Tropical Botanical Garden and Research Institute.
13. Indian Institute of Regional Development Studies.

14. Agency for Non-Conventional Energy and Rural Technology.
15. Kerala Statistical Institute.
16. Centre for Mathematical Studies.
17. Regional Cancer Centre.
18. Scinece and Technology Entrepreneurs Park

II. ECOLOGY AND ENVIRONMENT

19. Ecology and Environmental Programmes.
20 Prevention & Control of Pollution.

Posting of Husband and Wife at same Station

8412. SHRI SHANTI DHARIWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is the policy of Government to post a working couple at one station;

(b) whether this policy applies in the case of Allahabad Bank also;

(c) if so, whether some officers of JMG Scale - I of Allahabad Bank in Delhi, U.P., Rajasthan and Haryana States whose wives are working in the above mentioned states have been posted at places other than those where their wives have been posted; and

(d) if so, the reasons therefor and the action proposed to post such officers and their wives at one station?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). The guidelines issued by the Department of Personnel & Training regarding posting of husband and wife, were circulated to all banks including Allahabad Bank for necessary action. Allahabad Bank has reported that the officers from the Union Territory of Delhi and Haryana, Rajasthan and U.P. States are mostly posted outside their states on promotion to JMGS-I. These officers are repatriated to their home states to the extent of number of vacancies prevailing there. The bank has also advised that since number of promotees from the above States are by and large in excess of the number of vacancies arising there, the new promotees are posted outside the states to accommodate the older batches who were posted outside their states earlier. The decision regarding posting such officers and their wives at one station is taken on merits keeping in view the administrative requirements, constraints and feasibility.

Investment in Public Sector Bonds by Nationalised Banks

8413. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI: Will the Minister of FINANCE be pleased to state:

(a) whether it is necessary for the financial institutions to obtain prior permission of his Ministry for investing in public sector bonds;

(b) whether some cases have come to the notice of Government in which nationalised banks and financial institutions did not obtain such permission from his Ministry before investing in public sector bonds; and

(c) if so, the action taken against those nationalised banks and financial institutions in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a). No, Sir,

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

Repayment of Loans by Borrowers

8414. SHRI HARIHAR SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether some big borrowers with capacity to repay their loans are deliberately not repaying the bank loans;

(b) if so, the number of such borrowers identified by different banks;

(c) the action taken against such borrowers; and

(d) the total amount blocked with these borrowers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). The RBI have reported that as per the reports received by them in respect of borrowers having aggregate working capital limits of Rs. 50 lacs and above from the banking system, from 34 banks for the period ending December, 1986, 11 banks had identified 73 borrowers who have defaulted in payment/repayment of interest/ instalments. The present data collecting system does not specify whether these defaults have arisen on account of genuine reasons or otherwise. The banks take various types of action against the defaulting borrowers which may, inter-alia, include rehabilitation packages for viable units, change in management, legal proceedings, etc.

Speedy Disposal of Papers in Government Offices

8415. SHRIMATI MADHUREE SINGH: Will the PRIME MINISTER pleased to state:

(a) whether the scheme to modernise Government offices for speeding up disposal of papers and reducing routine work is at implementation stage; and

(b) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSION (SHRI BIREN SINGH ENGTI): (a) and (b). Modern office aids such as computers, word processors, photocopiers, electronic typewriters, etc., are being increasingly used in government offices to improve the disposal of work.

Representation from Punjab National Bank SC/ST Employees Welfare Association

8416. SHRI SIMON TIGGA: Will the Minister of FINANCE be pleased to state:

(a) whether the office bearers of Punjab National Bank SC/ST Employees Welfare Association has submitted any representation in respect of violation of reservation provisions and harassment to SC/ST employees by the Punjab National Bank Management on 24 December, 1986;

(b) if so, the details thereof; and

(c) the action taken/proposed against the erring officials responsible therefor?

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

(b) The two main points raised in the representation of Punjab National Bank Scheduled Caste/Scheduled Tribes Employees Welfare Association relate to reservations for Scheduled Castes and Scheduled Tribes in promotions within the officers cadre and reservations in their posting in the zone from which they are promoted. Punjab National Bank has reported that its promotion policy from Junior Management Grade Scale-I to Middle Management Grade Scale-II follows two tracks, both of which are selection based and therefore, in terms of the reservation policy laid down by the Government, no reservations are applicable, but all Scheduled Caste/Scheduled Tribe officers within the actual number of vacancies are promoted unless found unfit. For promotion from Middle Management Grade Scale-II to Middle Management Grade Scale-III, there is only one track promotion based on selection and the same principle applies to it also. In matters of postings, the bank has reported that it has voluntarily adopted a policy whereby on promotion from clerical to the officers cadre, to the extent of 15% and 7 1/2%, the Scheduled Caste and Scheduled Tribe officers are retained in the same zone from which they are promoted. This policy, however, does not apply to postings on promotion within the officers cadre.

(c) The bank has reported that none of its officials have erred in the matter and therefore, the question of taking action against any one of them does not arise.

Opening of New Branches of Co-Operative and Private Banks

8417. SHRI ANOOPCHAND SHAH: Will the Minister of FINANCE be pleased to state:

(a) the policy of Reserve Bank of India for giving permission to open new branches by nationalised banks;

(b) whether there is any difference in the norms for opening up of new branches by co-operative and private banks; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The aim of the current Branch Licensing Policy for 1985-1990 for opening branches in the rural and semi-urban areas of the country by commercial banks is to achieve a coverage of 17,000 population in each development block and location of at least one bank office within a distance of 10 kms. from each village. For hilly tracts regions which are sparsely populated and tribal areas, a relaxed population norm of 12,000/10,000 has been prescribed.

The Policy of permitting commercial banks to open branches in the urban and metropolitan centres would be on very selective basis and permission would be granted only on need basis.

The above policy applies both to Public Sector and Private Sector commercial banks. This policy however does not apply to the cooperative banks. However, in the matter of opening of branches by urban cooperative banks, Reserve Bank of India has indicated that this policy will be restrictive and branches would be allowed only on a highly selective basis. In so far as opening of branches by cooperative banks in the semi-urban and rural areas are concerned, these are governed by the rules and regulations obtaining in the particular state where the bank is proposed to be located.

Inspection into Affairs of New Bank of India

8418. SHRI DINESH GOSWAMI: Will the Minister of FINANCE be pleased to state:

(a) whether in the month of August, 1986, a team of officials of the Reserve Bank of India conducted an inspection into the affairs of the New Bank of India;

(b) whether any irregularities were found;

(c) if so, the details thereof and action taken against the Bank; and

(d) if no action has been taken so far, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):(a) to (d). Reserve Bank of India conducts an Annual Financial Review of all the Public Sector Banks. The findings of the Review are communicated to the bank concerned for rectification of deficiencies. Wherever there is staff involvement, the bank is advised to take appropriate action against the persons involved. Reserve Bank of India also has a system of following up this matter with the bank concerned at regular intervals to ensure that the deficiencies are removed and necessary action is taken against the officials concerned.

Reserve Bank of India has reported that it had conducted in August, 1986 an Annual Financial Review of New Bank of India with reference to its Financial position as on 31st December, 1985. Since the report is confidential, further details in this regard cannot be disclosed.

Alleged Irregularities in New Bank of India

8419. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the news report appearing in the Hindi news papers 'Jansatta' of 4 September, 1986 and 'Navbharat Times' of 27 January, 1987 regarding certain irregularities in granting loans to certain persons by New Bank of India ; and

(b) if so, the steps taken to check the irregularities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Government have seen the two Newspaper reports.

(b) In respect of allegations relating to loans granted from Kadelganj Branch, New Bank of India has reported that it has given its permission to the Central Bureau of Investigation for launching prosecution against the bank officials involved. The Bank has also initiated disciplinary proceedings against 2 of its officials involved in the case.

As regards the other alleged irregularities in the matter of granting loans referred to in the two Newspaper reports, Reserve Bank of India has been asked to look into the matter.

Grant of Subsidy to Banks Under Programme of Loan Mela

8420. SHRI RANJIT SINGH GAEKWAD: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the several commercial banks in Gujarat, under the directives of Reserve Bank of India have taken up the programme of loan mela with a subsidy and have disbursed loans to weaker and minority sections for their economic upliftment;

(b) whether Government are also aware that the banks, after disbursement of loan are now denied of subsidy by the State Social Welfare Department thus aggravating the burden on the poor loanees and the banks are facing problems of recovery;

(c) if so, the details regarding bankwise/district-wise pending cases of subsidy with the Social Welfare Department of Gujarat State, with the amount of loan and subsidy involved; and

(d) steps taken or proposed to be taken to sanction the amount outstanding for subsidy to be granted by the Social Welfare Department of Gujarat State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). The Reserve Bank of India has reported that it has not issued any directive to banks for organising Credit Camps. The Credit Camps are organised by Public Sector Banks on their own as a part of the overall measures taken by banks to bring about accelerated credit assistance to weaker sections. The present data reporting system does not yield separate information in respect of loans disbursed through Credit Camps since no central monitoring of Credit Camps is considered to be either feasible or necessary. However, as at the end of December 1985, advances to weaker sections by all scheduled commercial banks in Gujarat stood at Rs. 249 crores involving 863249 borrowal accounts. Loans sanctioned to weaker sections (whether at bank branches or through public functions/Credit Camps) are to be sanctioned in accordance with the lending norms and procedures as laid down in Reserve Bank of India' guidelines to banks in respect of appraisal, sanction, interest rates applicable, repayment schedules - for loan cases coming within the purview of various categories of priority sectors/weaker sections. As regards disbursement of subsidy for loan cases by the Social Welfare Department of the State Government of Gujarat - this is a subject which falls within the purview of the State Government of Gujarat.

Agreement for Loan and Assistance with KFW - West German of FRG

8421. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state;

(a) whether Government had entered into an agreement with KFW - a West German financing agency for loan and assistance;

(b) if so, the terms and conditions of the agreements and how much amount has since been received by Government/Reserve Bank of India;

(c) whether any instance of misuse of the foreign exchange loan by the project authorities has come to Government's notice; and

(d) if so, the facts thereof and reason for delay in monitoring of foreign exchange finance?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) Yes Sir; Government of India have signed several loan agreements with KFW for different projects in different sectors.

(b) The credit (soft portion) bears an interest @ 0.75% per annum with a repayment period of 50 years. In addition there is commitment charge of 1/4% per annum on undisbursed loan amount. Mixed financing loan agreements contain apart from soft assistance, commercial credit of equal amount on standard commercial terms.

Till January, 1987 Indian Government has entered into loan agreements with KFW for the amount of about DM 10283 million and the total disbursements has been to the tune of about DM 9486 million.

(c) No. The foreign exchange loans which are to be utilised as per the Agreement between Government of India and Federal Republic of Germany.

(d) Question does not arise.

Private Sector Managers to Run Public Sector

8422. SHRI AJOY BISWAS : Will the PRIME MINISTER be pleased to state:

(a) whether any private sector managers have been appointed on the Board of directors or as chairman in some public sector organisations; and

(b) if so, details of the public sector undertakings where such private sector managers have been appointed?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) Yes Sir.

(b) Private sector managers have been appointed either as Part-time Chairmen or as non-official Part-time Directors on the Boards of some public sector undertakings. As per available information, private sector managers have been appointed for varying periods as Part-time Chairmen in the following public undertakings:

1. Air India.
2. Indian Airlines.
3. Electronics Trade & Technology Development Corporation.
4. National Film Development Corporation

Depending upon the provisions of the relevant Statute or Memorandum or Articles of Association of public undertakings, managers from the private sector are, sometimes, appointed to the Board as part-time non-official Directors on the basis of their qualifications,. experience, background and the need.

Portfolio Investment Scheme for NRI

8423. SHRI RAJ KUMAR RAI: Will the Minister of FINANCE be pleased to state the details of the background and purpose behind introduction of the Portfolio Investment Scheme for non-resident Indians?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): The Scheme was announced in 1982 on the recommendation of a Working Group set up to make a study of the flow of foreign exchange remittances into India by Indian Nationals Resident abroad and Foreign Nationals of Indian Origin against the background of growing adverse balance of merchandise trade account and consequent need for encouraging the flow of inward remittances to minimise the presssure on balance of payments position. The Group recommended 'inter alia', introduction of the Portfolio Investment Scheme i.e. purchase of existing equity shares quoted on the Stock Exchanges

[*Translation*]

Demand for Inclusion of Tharu and Kol Tribes of Bihar in List of Scheduled Tribes

*8425. SHRI VIJOY KUMAR YADAV: Will the Minister of WELFARE be pleased to state:

(a) whether Government of Bihar have requested the Union Government to include Tharu and Kol tribes of Bihar in the list of Scheduled Tribes;

(b) if so, the details thereof; and

(c) the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) to (c). The proposal to include Tharu and Kol tribes of Bihar in the list of Scheduled Tribes alongwith similar other proposals is being considered in the context of the proposed comprehensive revision of the lists of Scheduled Castes and Scheduled Tribes.

The recommendations received from the Government of Bihar, however, cannot be disclosed in the public interest. Further, amendment in the existing lists of Scheduled Castes and Scheduled Tribes can be done only through an Act of Parliament in view of Articles 341(2) and 342(2) of the Constitution.

Vacancies of Chief Vigilance Officers

8426. SHRI KUNWAR RAM: Will the PRIME MINISTER be pleased to state:

(a) whether the posts of Chief Vigilance Officers are lying vacant in many Government Departments and Public Undertakings;

(b) if so, the details thereof; and

(c) steps proposed to be taken to fill up these posts immediately?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) and (b). As on 15.4.1987, the posts of Chief· Vigilance Officers in 15 Ministries/Departments and 69 Public Undertakings have not been filled up on a regular basis.

(c) The steps proposed to fill up the posts include

(a) identifying officers who are willing to work as CVOs.

(b) cutting down the delay in making appointment through a simplified procedure, and

(c) providing incentives for officers deputed as CVOs.

[*English*]

Retirement Dates of Government Employees

8428. SHRI SRIBALLAV PANIGRAHI:
SHRI H.B. PATIL:
SHRI LAKSHMAN MALLICK:
SHRI PARASRAM BHARDWAJ:
SHRI R.M. BHOYE:

Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to follow a new method in the matter of retirement of Central Government employees whereunder the Central Government employees will be allowed to retire twice in a year i.e. on the 30th June and the 31st December of every year after reaching the age of superannuation; and

(b) if so, the time by which this proposal is likely to be implemented?

THE DEPUTY MINISTER IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI BIREN SINGH ENGTI): (a) No, Sir

(b) Does not arise.

Age of Entry in Government Service for Women

8429. SHRI PRAKASH V. PATIL: Will the PRIME MINISTER be pleased to state:

(a) whether the age of entry in Government service is same for men and women;

(b) if so, whether Government propose to consider raising the age limit to 35 years, the time by which women will have grown up children and they can take up some jobs like a teacher, telephone operator, nurses etc; and

(c) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI BIREN SINGH ENGTI): (a) The age limit for entry in Government service is the same for men and women in general but the upper age limit for appointment to Group 'C' and 'D' posts filled through the Staff Selection Commission/Employment Exchange in the case of widows, divorced women and women judicially seperated from their husbands, who are not remarried, is 35 years (upto 40 years for members of SC & ST).

(b) Yes, Sir,

(c) Does not arise.

Shares of U.T.I. and L.I.C. in Industrtial Credit and Development Syndicate, Manipal

8430. SHRI BHATTAM SHRIRAMA-MURTY: Will the Minister of FINANCE be pleased to state:

(a) whether the Unit Trust of India and Life Insurance Corporation of India are the top most shareholders of the Industrial Credit and Development Syndicate, Manipal;

(b) whether it is a manufacturing company coming under the category of an investment company ; and

(c) if so, the reasons for supporting this company by U.T.I. and L.I.C by purchasing its shares?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) Unit Trust of India and Life Insurance Corporation of India are holding equity shares of Industrial Credit and Development Syndicate Ltd., Manipal of the face value of Rs. 15.83 lakhs (10.68%) and Rs. 9.06 lakhs (6.04%) (as on 17.2.87) respectively.

(b) This company is a finance company and not a manufacturing company.

(c) The shares of the company were

acquired by Unit Trust of India and Life Insurance Corporation of India as a result of amalgamation of Syndicate Bank Ltd. at the time of nationalisation of Banks. Since then no further shares have been taken up in company.

Retention of I.R.S. Pool Accommodation Beyond Permissible Period

8431. SHRI SARFARAZ AHMAD: Will the Minister of FINANCE be pleased to state:

(a) whether I.R.S. Officers are allowed to retain Government accommodation in Delhi even after their tenure of deputation at Centre is over;

(b) if so, the reasons thereof; and

(c) the steps taken or to be taken to ensure that such Government houses are vacated as per rules and allotted to eligible officers?

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

(b) On requests from the individual Officers, retention of accommodation by the allottee officers beyond the permissible period is allowed, on merits of each case, under the provisions contained in the Department of Revenue (Allotment) Rules, 1964.

(c) Eviction proceedings to get the departmental pool houses vacated are initiated under Public Premises (Eviction of Unauthorised Occupants) Act, 1971.

Payment to Karnataka out of National Savings

8432. SHRI V.S. KRISHNA IYER: Will the Minister of FINANCE be pleased to state:

(a) the total amount paid to Karnataka during 1986-87 out of national savings;

(b) whether the whole amount has been released by Government; and

(c) if not, when will the balance amount be released?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). During 1986-87, an amount of Rs. 170.71 crores was due to Government of Karnataka as a loan assistance against net small savings collections in the State. The entire amount has been released.

Projects Delayed in Madhya Pradesh

8433. SHRI PRATAP BHANU SHARMA: Will the Minister of PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether Government have reviewed and monitored the implementation of various irrigation, power, coal, fertilisers, steel and petroleum projects under different stages of construction in Madhya Pradesh during the last two years;

(b) if so, the details thereof; and

(c) the steps propose to expedite the implementation of these projects?

THE MINISTER FOR PROGRAMME IMPLEMENTATION (SHRI A.B.A. GHANI KHAN CHOUDHURY): (a) Yes, Sir.

(b) Ministry of Programme Implementation monitors closely progress of only Central Sector Projects costing more than Rs. 20 crores. A statement indicating projects in Madhya Pradesh in Power, Coal, Fertiliser and Steel sectors is given below. Salient features of the projects are indicated against each. There are no central projects in Madhya Pradesh in the Petroleum and Irrigation sectors. In addition, the implementation of all the central projects is also critically reviewed and monitored monthly and quarterly by the concerned administrative Ministries/ Depart-ments. Ministry of Programme Implemen-tation is also associated in these review meetings.

(c) Steps taken to expedite the implementation of these projects include:

(i) preparation of realistic project reports and implementation plans;

(ii) approval of advance action for development of infrastructure at project site, pending Government's formal sanction to the project;

(iii) ensuring adequate funding from beginning to end;

(iv) effective monitoring through Monthly Flash Report System;

(v) constant pressure on project authorities for expeditious completion of the projects; and

(vi) coordination meetings at various levels to resolve inter-ministerial-issues, problems relating to delays in supply of critical equipment by vendors/suppliers, problems of inadequate mobilisation of manpower/construction equipment of various contractors and construction agencies etc.

Statement

List of Central Projects Costing more than Rs. 20 Crores under Implementation in Madhya Pradesh

Srl No.	Name of Project	Sanctioned			Now anticipated	
		Date	Cost (Rs Cr)	Date of commiss.	Cost (Rs Cr.)	Date of commiss.
	COAL					
1.	Amlohri OC (NCL)	6/82	323.32	3/90	323.32	3/92
2.	Dudhichua OC (NCL)	2/84	289.68	3/94	289.68	3/94
3.	Jayant OC Expn.	1/79	77.36	3/84	313.61	3/89
4.	Gevra Expansion	12/79	50.08	3/88	224.39	3/92
5.	Kusumunda OC	12/74	17.13	3/85	168.45	3/88
6.	Jhindurga OC	1/77	24.87	3/82	63.12	3/88
7.	Amlai OC	3/84	30.82	3/89	40.02	3/90
8.	Bangwar UG	5/85	25.14	3/89	25.14	3/91
9.	Balgi UG	9/83	28.00	3/89	28.00	3/89
10	Bisrampur OC	3/73	9.67	3/85	37.20	3/87
11.	Churcha West	3/85	32.64	3/89	32.64	3/89
12.	Dhanpuri	9/79	24.10	3/85	64.66	3/89
13.	Dipka	6/85	56.05	3/89	56.05	3/89
14.	Rajgamar UG	10/75	9.58	3/82	33.92	3/88
15.	Rajnagar	10/79	12.43	3/85	27.14	3/87
16.	Ramnagar UG	10/78	9.65	3/86	23.50	3/89
17.	Tandsi UG	9/85	51.58	3/94	51.58	3/94
	POWER					
1.	Korba STPP-I	4/78	450.80	9/84	742.50	8/87
2.	Vindhyachal STPP	6/82	911.57	12/89	1349.91	12/89
3.	Korba STPP - II	9/81	457.98	3/89	675.53	8/89
	STEEL					
1.	Bhilai 4 MT Expn.	2/78	937.71	12/81	2145.50	9/88
2.	Bailadila-II (C)	11/80	11.78	6/84	29.52	6/87
3.	Bailadila-V (FOH)	9/82	25.94	3/86	30.77	12/86
	FERTILIZER					
1.	Vijaypur Project(NFL)	3/84	587.10	12/87	587.10	12/87

Funds to Andhra Pradesh for Special Component Plan and Tribal Sub-Plan

8434. SHRI V. TULSIRAM: Will the Minister of WELFARE be pleased to state:

(a) whether Andhra Pradesh Government have asked the Union Government for more funds for the Special Component Plan and Tribal Sub-Plan for each of the remaining years of Seventh Plan;

(b) if so, the details of the funds sought; and

(c) the reaction of Union Government in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) to (c). The Special Component Plan and the Tribal Sub-Plan in each State is a sub-plan within the State Plan and funds for it have to be found by earmarking by concerned States themselves. The Andhra Pradesh Government asked for higher allocation of Special Central Assistance. Funds for the Special Central Assistance available with the Govt. of India are limited by the Seventh Plan and are allocated keeping in view the needs and eligibility of all the States. Andhra Pradesh Govt. got their due share of Special Central Assistance for SCP and TSP in 1986-87 and will also get their due share during the current financial year.

Rise in Prices of CTV Sets

8435. SHRI YASHWANTRAO GADAKH PATIL: Will the PRIME MINISTER be pleased to state:

(a) whether there has been a rise in the prices of colour television sets during the last six months and slackening of demand;

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

(c) the production of colour television sets during 1985 and 1986?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) The consumer price of the Colour TV sets having a value exceeding Rs. 5000/-, has gone up by Rs. 250/- plus local taxes. There is, however, no slackening of demand for CTV sets.

(b) The rise in price has resulted due to increase in excise duty of Rs. 250/- on colour TV sets of screen size above 36 cms and having a value exceeding Rs. 5000/-.

(c) The production of Colour TV sets during calendar years 1985 and 1986 was 6.8 lakhs and 8.5 lakhs respectively.

Rates of Duties on Essential Goods

8436. SHRI K. RAMAMURTHY: Will the Minister of FINANCE be pleased to state:

(a) the names of essential goods where the customs and excise duties are of a penal magnitude running to 200 per cent and more; and

(b) the steps being taken to ensure that the future rise in revenues comes only from an enlarged production and tax base, which will in turn end in stimulating economic activity in general and business in particular?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) On the central excise side no essential goods carry an excise duty of 200% or more. Import duty at such rates is, however, charged on a number of items of chemcials, plastics, rubber, man-made fibres, ceramic items, glass and glassware, metals, machinery and instruments and motor vehicles.

(b) The possibility of increasing revenue collection from an enlarged production and tax base is feasbile in respect of central excise revenue rather than customs revenue.

Excise duty rates in general are not very high, more particularly in respect of essential goods. While raising the rates of central excise duty on revenue considerations, the revenue increase is sought to be obtained more from an enlarged production and tax base than merely from higher rates.

Payment of Customs Duties on Exports by Ferro Alloys Corporation

8437. SHRI ANANTA PRASAD SETHI: Will the Minister of FINANCE be pleased to state:

(a) whether the Charge Chrome plant Randia, in the district of Balasore, Orissa of the Ferro Alloys Corporation India Limited is exporting its products;

(b) if so, the amount of Foreign Exchange earned by it during 1986-87;

(c) whether the Corporation has paid all customs duties;

(d) if not, the measures taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). M/s. Ferro Alloys Corporation are exporting charge chrome manufactured by them since October, 1983. During the year 1986-87, they earned foreign exchange amounting to Rs. 23.6 crores.

(c) and (d). Being a 100% Export Oriented Unit, they are exempted from payment of customs duties on the specified imported inputs required for their export production.

Facilities to Scientists

8438. SHRIMATI JAYANTI PATNAIK: Will the PRIME MINISTER be pleased to state:

(a) whether there is a need to give better facilities and to provide better service conditions to the scientists in order to attract good talent for scientific research;

(b) if so, the steps taken and proposed to be taken by Government in this regard; and

(c) the steps taken to make scientific pursuits an attractive profession?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN) : (a) to (c). Yes, Sir, a number of steps has been taken to elevate the status of Scientists and Technologists and to improve their working conditions with a view to attracting good talent for scientific research and making scientific pursuits an attractive profession. Some of these are:

The scheme of flexible complementing / merit promotion is being introduced in all the scientific departments/ organisations.

Programmes have been launched through which core group of scientists are created in the country with all the necessary modern facilities required for pursuing research in new and frontier areas of science.

Special schemes are being implemented to provide assistance to scientists for attending international conference besides enabling younger scientists to attend specialised training programmes outside India.

There is a provision for temporary placement of scientists and technologists under the scheme of Scientists' Pool.

New scientific departments/ organisations such as Departments of Biotechnology, Ocean Development, Environment, Non-Conventional Energy Sources, Centre for Development of Telematics have been set up and some of these are in high technology areas. These are likely to provide better job opportunities for the scientists and technologists.

The financial allocation for science and technology activities have been increased substantially over successive Five Year Plans.

Delegation of enhanced administrative and financial powers have been made to scientific insititutions to improve the organisational efficiency and working conditions of scientists.

A number of schemes have been initiated for recognising talented young scientists and providing them appropriate research facilities.

Fellowship and Associateship are being provided alongwith appropriate facilities.

Research in new and frontier areas of science is encouraged by larger funding and sophisticated instruments are being made available through the Regional Sophisticated Instrument Centres.

Mal-Functioning of Integrated Tribal Development Agency in Andhra Pradesh

8439. SHRI T. BALA GOUD: Will the Minister of WELFARE be pleased to state:

(a) whether Government have received representations on the mal-functioning of Integrated Tribal Development Agency in certain districts of Andhra Pradesh;

(b) whether Integrated Tribal Development Agency officers are implementing policies to wean tribals away from non-productive activities in West Godavari region;

(c) if not, the reasons therefore; and

(d) whether Government propose to take any action to enthuse the State Government to rectify existing malaise in such districts?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) While no representation on mal-functioning of Integrated Tribal Development Agency (ITDA) in Andhra Pradesh, as such, has been received, there were some representations about liquor/arrack shops allegedly opened by ITDA in one district.

(b) The ITDAs are implementing poverty alleviation programmes with emphasis on beneficiary oriented schemes to economically assist tirbal families through productive activities.

(c) Does not arise.

(d) The Government of India together with State Government review the working of ITDAs from time to time with a view to identifying problems and taking corrective action.

Training to Officers of United India Assurance Co.

8440. SHRI R.S. MANE: Will the Minister of FINANCE be pleased to state:

(a) the steps taken/proposed to improve the functioning of nationalised insurance companies;

(b) whether any administrative or management training is imparted to officers of United India Assurance Company, if so, the details thereof;

(c) whether any time-bound programme for improvement of the functioning of the United India Assurance Company has been drawn, if so, the details thereof;

(d) whether Chairman of the company has fixed specific time for hearing the problems and complaints of the policy-holders and others concerned; and

(e) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The nationalised insurance companies have taken a number of effective steps for improving their functioning. These include simplification of procedures for claim settlements, delegation of financial and executive powers, setting up of Grievances Redressal Cells for prompt redressal of customer grievances, availability of senior officers from Chairman to the Branch level to personally hear the grievances of customers on a specified day every month, settlement of pending motor accident claim through Lok Adalats and introduction of microprocessors.

(b) The United India Insurance Co. has a fulfledged Training College in Madras where officers up to the level of Deputy Managers are imparted training in subjects like accounts, administration, management, vigilance, etc. In addition, suitable officers are selected for specialised training like re-insurance and engineering. Suitable officers are also sponsored to participate in international Seminars in order to update them with latest international standards and norms.

(c) LIC, GIC and its subsidiary companies, including United India Insurance Company, have drawn up their own Corporate Plans and prepare time-bound programmes annually based on the Corporate Plans. Government also monitors the performance of LIC and GIC on a quaterly basis.

(d) The chairman is exclusively available for listening to the complaints and grievances of the policyholders and others concerned between 3 to 5 PM on the first Tuesday of every month. He is also available on other days as well, whenever he is in station.

(e) Does not arise.

Export of Opium

8441. SHRI R.M. BHOYE: Will the Minister of FINANCE be pleased to state:

(a) the quantity of opium exported and the foreign exchange earned therefrom during the last three years year-wise;

(b) the names of the countries to which opium was exported;

(c) the parts of the country where poppy is grown and the total acreage of land under poppy cultivation during the last three years, year-wise;

(d) the number of opium factories in the country at present and their location; and

(e) the facilities provided to the poppy growers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The quantity of opium exported and the foreign exchange earned therefrom during the last three years are as under:-

Year	Quantity exported @ 90°C (Metric tonnes)	Foreign exchange earned (Rs. in crores)
1984-85	757	27.65
1985-86	660	24.29
1986-87 (provisional)	618	25.50

(b) During the last three years, opium was exported mainly to U.S.A., U.S.S.R., Japan, U.K. and France.

(c) Opium poppy is cultivated in notified tracts in Uttar Pradesh, Madhya Pradesh and Rajasthan. The total acreage of land that was licensed for poppy cultivation during the last three years was as under:-

Crop year	Total acreage of land (in hectares)
1983-84	25,520
1984-85	25,487
1985-86	24,361 (provisional)

(d) There are two Government Opium and Alkaloid factories, one at Ghazipur (U.P.) and the other at Neemuch (M.P.).

(e) A lambardar is appointed by the Government in each village to provide the necessary guidance and assistance to the cultivators in all matters relating to poppy cultivation. The results of research conducted on various aspects of poppy cultivation is disseminated to the cultivators for their benefit.

During weighment and settlement operations, all facilities are provided to the cultivators.

On tendering their opium, without waiting for the final analysis report, on the basis of preliminary assessment, a provisional payment of 90% of the value of opium is paid to the cultivators on the spot.

In case of crop damage, conditions for issue of licence are also relaxed, depending upon the merits and circumstances of the case.

Declaration of Assets Under FERA Ammesty Scheme

8442. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of FINANCE be pleased to state:

(a) the number of people who have declared their assets under the FERA Amnesty Scheme during the last three months upto date;

(b) whether many people against whom cases are going on in different courts have not disclosed their assets; and

(c) if so, the reaction of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) The FERA Amnesty Scheme was valid upto 31st March 1987 and upto that period the RBI has received 475 declarations involving about Rs. 67 crores.

(b) and (c). The Scheme is not applicable where criminal prosecution or adjudication proceedings have already been launched by the Directorate of Enforcement. It is, however, open for the concerned parties against whom criminal prosecution or adjudication proceedings have been initiated to make voluntary declarations about other transactions which are not covered by the aforementioned proceedings.

Evaluations of Super Computer

8443. SHRI SHARAD DIGHE : Will the PRIME MINISTER be pleased to state:

(a) whether the evaluation of super computer marketed by Japan has been completed;

(b) if so, the details thereof;

(c) whether any order for purchase of super computer has been placed with any Japanese firm; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENT OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) and (b). An evaluation of some of the super computers marketed by Japan has been completed. Among them are the super computers SX-1 and SX-2 manufactured by Nippon Electric Corporation (NEC) of Japan.

(c) and (d). No order for purchase has been placed. But the Indian Institute of Science has issued a letter of intent for SX-2 super computer with NEC.

[Translation]

Wasteland Development by Private Sector

8444. SHRI BALWANT SINGH RAMOOWALIA:
SHRI TEJA SINGH DARDI:
Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether National Wasteland Development Board has advised Government to encourage plantation of trees on wasteland by the private sector; and

(b) if so, Government's reaction in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI) : (a) and (b). The Central Government are not promoting the entry of private companies to take up the reclamation of wasteland inside forests.

[*English*]

Shifting of Industries to Rural Areas

8445. SHRI P.M. SAYEED: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether incentives are proposed to be offered to the industries to shift their units to rural areas in order to curb pollution; and

(b) if so, the details of the scheme and response thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI): (a) and (b). Incentives are provided to encourage industries to shift from urban areas as a measure of decongesting the overcrowded cities and for reducing pollution. Capital gains arising from transfer of buildings or lands used for the purpose of business are exempted from tax if these are used for acquiring lands or constructing buildings for the purpose of business at the new place. From the financial year 1983-84 this exemption has been further extended to capital gains arising from transfer of machinery and plants also. However, the response of industries to such incentive has not been encouraging.

Utilisation of PL.480 Funds

8446. SHRI DIGVIJAY SINGH: Will the Minister of FINANCE be pleased to state:

(a) the total accoumulation of the PL 480 funds which could be utilised for specific programmes in India; and

(b) whether any other fund is proposed to be used in Gujarat which is facing drought for the second consecutive year?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) A US-India Fund for Educational, Cultural and Scientific Cooperation has been established on 7th January, 1987 with an initial capital of Rs. 127.5 crores out of the US-held rupees in India. This amount together with the interest accrued thereon is to be utilised for financing mutually agreed collaborative activities in the areas of education, culture and science, between the two countries.

(b) There is presently no proposal for utilising any externally aided fund for financing drought relief. Such requirements are being met out of our own resources.

Premises taken on Rent in Paharganj area by New Bank of India

8447. SHRI RAM BHAGAT PASWAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that New Bank of India has taken on rent some premises in Paharganj area of Delhi at a very high rent and rent has been paid for the last more than three years but clearing house has not yet been opened; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). New Bank of India has reported that it had taken a covered area of 3500 sq. ft. in M.C.D. Building, Desh Bandhu Gupta Road, Paharganj, New Delhi, in July 1983 for a period of 5 years at a monthly rent of Rs. 20,000/-.

The Bank has reported that the rent paid by the Bank works out to Rs. 5.73 per sq.ft. whereas the prevailing rates are much higher.

The premises coluld not be utilised for housing Bank's Clearing Cell due to certain shortcomings/problems like parking/traffic congestion. These are now being used by the Bank for other purposes.

Inter-State Child Trade

8448. SHRIMATI USHA CHOUDHARI : Will the Minister of WELFARE be pleased to state:

(a) whether Government are aware of the inter-state child trade run by several institutions in the country; and

(b) if so, the steps proposed to check it?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) No such information is available.

(b) Does not arise.

Equipment Leasing Business by CBI and UTI

8449. SHRI PRATAPRAO B. BHOSALE: Will the Minister of FINANCE be pleased to state:

(a) whether Central Bank of India and Unit Trust of India have agreed to undertake equipment leasing business;

(b) if so details thereof;

(c) the capital authorised to them with share of each; and

(d) the fields of work proposed to be covered by this joint organisation of Public Sector Undertakings?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) and (c). Share capital initially will be Rs. 3 crores to be subscribed by Central Bank of India 51% Unit Trust of India 30% Housing Development Finance Corporation 19%.

(d) The leasing company will provide lease finance fcr plant and machinery required in infrastructural facilities such as pollution control, effluent treatment, water supply and treatment, energy savings devices, construction material handling, etc.

Implementatioι. of Projects in Orissa

8450. SHRIBRAJAMOHANMOHANTY: Will the Minister of PROGRAMME IMPLEMENTATION be pleased to state:

(a) the various Central Projects in Orissa for which allocation of funds was made during Sixth Plan;

(b) whether the entire funds were utilised;

(c) if not, the reasons therefor;

(d) whether any assessment has been made about the escalation in the cost of ongoing projects; and

(e) if so, the details thereof?

THE MINISTER FOR PROGRAMME IMPLEMENTATION (SHRI A.B.A. GHANI KHAN CHOUDHURY) : (a) to (e). The information is being collected and will be placed on the table of the House.

Excise Duty on Machine-Made Matches

8451. SHRI S.G. GHOLAP: Will the Minister of FINANCE be pleased to state:

(a) the number of mechanised and cottage match factories in the country;

(b) whether any representations have been received about the levy of high excise duty on machine-made matches, and if so, details thereof;

(c) whether Government propose to reduce excise duty on machine-made matches to protect the mechanised factories;

(d) if so, details thereof; and

(e) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The number of units in the fully mechanised sector (WIMCO) is 5. The number of units in the semi-mechanised sector with capital investment not exceeding Rs. 20 lakhs is around 50. The number of units in the cottage sector is around 7000.

(b) to (e). Some representations have been received from M/s. WIMCO regarding excise duty differential in matches produced by them and the non-mechanised sector. These are under consideration of the Government and a decision will be taken in due course.

Raising Age Limit for Backward Communities in Government Jobs

8452. SHRI A.C. SHANMUGAM: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to raise the age limit for joining Government jobs for the candidates belonging to backward communities; and

(b) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI BIREN SINGH ENGTI) : (a) No, Sir.

(b) Does not arise

Centrally Sponsored Schemes in Bihar

8453. SHRI SYED SHAHABUDDIN : Will the Minister of PLANNING be pleased to state:

(a) the total outlay for major Centrally sponsored schemes in respect of Bihar under the Seventh Five Year Plan;

(b) the actual expenditure during 1985-86 and 1986-87 and the allocation for 1987-88; and

(c) the contribution of the State Government in each scheme in terms of percentage of total expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM) : (a) to (c). Statement containing the list of major Centrally sponsored schemes in Bihar, indicating pattern of funding and allocations/expenditure during Seventh Five Year Plan, 1985-86, 1986-87 and 1987-88 is given below.

Statement

Outlay/Expenditure on Major Centrally Sponsored Schemes in Bihar in Seventh Plan and 1984-85 to 1987-88

(Allocation in Rs. crores)

Sl. No.	Name of Major Centrally Sponsored Scheme	Pattern of funding (% share of		Share of Central Expenditure/ Allocation				Remarks
		Centre	State	Seventh Plan 1985-90	1985-86 Expenditure	1986-87 Anticipated Expdr.	1987-88 Allocation	
1	2	3	4	5	6	7	8	9
I.	RURAL DEVELOPMENT							
1.	Integrated Rural Development Programme	50	50	Not fixed	24.77	33.83	42. 05	-
2.	National Rural Employment Programme	50	50	Not fixed	29.16	38.71	35. 91	Besides expenditure on value of Additive Foodgrains given to State free of cost including Transportation subsidy under NREP
3.	Rural Landless Employment Guarantee Programme	100	-	Not fixed	86.26	97.71	99. 94	-
4.	Drought Prone Area Programme	50	50	Not fixed	3.24	3.79	4.05	-
II.	EDUCATION							
5.	Non-formal Education	50	50	Not fixed	1.99	2.11	Not finalised	Statewise Seventh Plan outlays are not worked out.
6.	Rural Functional Literacy Programme	100	-	Not fixed	2.97	3.24	Not finalised	
III.	IRRICATION							
7.	Command Area Development Programme	50	50	Not fixed	10.65	7.61	Not finalised	Expenditure on some items is shared and some items are fully funded by State

1	2	3	4	5	6	7	8	9
IV.	HEALTH & FAMILY WELFARE							
8.	National Malaria Eradication Programme	50	50	Not fixed	5.12	2.01	5.47	–
9.	Family Welfare Programme	100	–	Not fixed	33.11	24.15	24. 64	Provisional figures for 1985-86
V.	INDUSTRY							
10.	Capital Subsidy in Backward Areas	100	–	Not fixed	Nil	6.21	Not finalised	Funds released on demand from State Govt.
VI.	FORESTS							
11.	Rural Fuelwood and Afforestation of Ecosensitive Non-Himalayan Areas	50	50	7.07	1.07	1.62	2.00	–
VII.	WATER SUPPLY							
12.	Accelerated Rural Water Supply Programme	100	–	Not fixed	15.22	21.98	Not finalised	Formula for statewise allocation of funds is under revision
VIII.	HOUSING & URBAN DEVELOPMENT							
13.	Integrated Development of Small & Medium Towns	50	50	6.04	0.96	1.08	Not finalised	Rs. 6.04 crores is eligibility for assistance during Seventh Plan.
IX.	BACKWARD CLASSES							
14.	Implementation of PCR Act/Liberation of Scavengers	50	50	Not fixed	0.88	1.61	Not made in advance	–
X.	RURAL ENERGY							
15.	Biogas	80	20	Not fixed	2.85	5.40	5.75	–
XI.	SOCIAL WELFARE & NUTRITION							
16.	Integrated Child Development Services	100	–	Not fixed	6.90	7.71	Not fixed	–

1	2	3	4	5	6	7	8	9
XII.	POWER							
17.	Renovation and Modernisation of Thermal Power Stations	100	-	25.81	4.45	3.72	10. 95	100% loan assistance
XIII.	AGRICULTURE & ALLIED SERVICES							
18.	Special Rice Production Programme for 6 Eastern States	50	50	Not fixed	Nil	5.73	5.90	Figures are actual releases made.
19.	Assistance to Small & Marginal Farmers	50	50	Not fixed	4.05	2.20	7.75	
20.	Soil Conservation in Catchments of River Valley Valley Projects	100	-	9.66	5.21	4.16	2.10	100% Central assistance comprison 50% grant and 50% loan. Figures are actual releases made.
21.	Integrated Watershed Management in the Catchment of Flood Prone Rivers	100	-	13.78	2.40	2.25	2.18	
22.	Non over-due cover	50	50	Not fixed	1.60	1.00	Not made in advance	-

Note : Only those schemes have been treated as major which have central share of expenditure/allocation of Rs. 1 crore or more during any of the three years from 1985-86 to 1987-88.

Liberalisation of IDBI and IFCI schemes for subsidy to new Enterpreneurs

8454. SHRI RADHAKANTA DIGAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Finance Corporation of India and Industrial Development Bank of India have liberalised the schemes for subsidy to new enterpreneurs;

(b) if so, the reasons thereof;

(c) the number of enterpreneurs who have availed of the IDBI and IFCI loans, separately, since the introduction of the scheme, State-wise; and

(d) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). IDBI and IFCI have a number of schemes which go to benefit new entrepreneurs. These include the Risk Capital Scheme and Seed Capital and Special Capital Schemes for providing equity support to entrepreneurs. The IFCI has reported that the Risk Capital Scheme operated by Risk Capital Foundation, an organisation sponsored by IFCI, has been liberalised in March, 1987. The Scheme has been liberalised to provide a wider coverage and keeping in view the general increase in the project cost. IDBI has reported that they have not made any liberalisation in respect of Seed Capital Scheme/Special Capital Scheme, operated by them for providing equity support to the enterpreneurs setting up projects in the small scale/ medium scale sectors, in the recent past.

(c) and (d). A statment – I showing the State-wise details of number of beneficiaries, number of projects and the assistance sanctioned by Risk Capital Foundation, since its inception, is given below. A statement – II giving details about Seed Capital/ Special Capital Schemes is also given below.

Statement - I

Break up of the promoters' projects and assistance sanctioned by RCF on State-wise basis as on the 31st December, 1986

State	Number of beneficiaries	Number of projects	Assistance Sanctioned (Rs. lakhs)
1	2	3	4
Andhra Pradesh	43	29	273.69
Assam	1	1	15.00
Bihar	3	3	18.50
Gujarat	13	9	99.50
Haryana	12	7	90.99
Himachal Pradesh	13	6	94.40
Karnataka	7	4	39.40
Madhya Pradesh	4	2	27.00
Maharashtra	19	11	81.25
Orissa	7	4	40.50
Punjab	10	7	57.13
Rajasthan	36	17	196.92
Uttar Pradesh	15	8	118.90
West Bengal	3	2	20.00

1	2	3	4
Andaman & Nicobar	1	1	6.00
Delhi	2	1	6.00
Goa	2	1	3.00
Pondicherry	3	1	30.00
Total	194	114	1223.18

Statement-II

Cumulative sanctions as on 31.3.1986 in respect of Special Capital Scheme and Seed Capital Scheme.

(Rs. in lakhs)

State/Union Territories	Special Capital Scheme (SFCS)	Seed Capital Scheme
Andhra Pradesh	449	1225.17
Assam	1	26.00
Bihar	143	133.65
Gujarat	97	170.19
Haryana	44	143.08
Himachal Pradesh	73	127.61
Jammu & Kashmir	14	19.49
Karnataka	413	910.63
Kerala	52	214.47
Madhya Padesh	55	288.55
Maharashtra	246	571.67
Orissa	296	250.24
Punjab	63	40.43
Rajasthan	35	244.90
Tamil Nadu	423	645.70
Uttar Pradesh	41	262.14
West Bengal	63	190.29
Nagaland	—	11.00
Union Territories		
Delhi	38	2.59
Goa, Daman and Diu	—	8.76
Pondicherry	—	76.75
Total:	2546	5563.31
IDBI 's Direct Assistance	—	67.85
Grand Total:	2546	5631.16

Awards to Authors on Environmental Awareness

8455. SHRISRIKANTADATTANARASIMHARAJA WADIYAR: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether his Ministry has instituted a scheme to give awards to Authors for writing on subjects relating to Environment, Forestry, Wildlife and Ganga cleaning project;

(b) whether Government propose to give similar awards for writing in regional languages also;

(c) if so, the steps taken to encourage the authors to write in regional languages; and

(d) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI. (a) Yes, Sir.

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

(d) The scheme for awards to Hindi Authors of original work in Hindi on subjects relating to Environment, Forestry, Wildlife and Ganga cleaning project was notified by the Department in February, 1987 in pursurance of the suggestion given the Department of Official Language (Ministry of Home Affairs) and decision taken by the Hindi Salahkar Samity of the Ministry. Similar schemes for the regional languages do not exist in the Ministry.

Inclusion of Indian Languages as Subjects for Civil Services Examinations

8456. PROF. NARAIN CHAND PARASHAR: Will the PRIME MINISTER be pleased to state:

(a) whether the Union Public Service Commission are reviewing the question of inclusion of languages like Manipuri and such others as have been recognised by the Central and State Sahitya/Bhasha Academies like Pali as also classical languages in the list of subjects for IAS and other Central services Examinations;

(b) if so, the likely date by which it would be done and the names of the languages to be included; and

(c) if not, the reasons therefore, especially when most of them are taught in the colleges and universities?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) to (c). Literature of Pali is already included as one of the optional subjects for the Civil Services (Main) Examination. Government has no proposal about inclusion of Manipuri in the list of optional subjects.

Bringing Dudhwa Wildlife National Park Under Project Tiger

8457. DR. B.L. SHAILESH:
SHRIMATI USHA CHOUDHARI:
Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether Dudhwa Wildlife National Park is proposed to be brought under the 'Project Tiger';

(b) if so, the assistance proposed to be provided for better management and development of this park; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI): (a) Yes, Sir.

(b) and (c). The extent of assistance to be provided by the Central Government under Project Tiger would be ascertained only after Dudhwa is brought under the aegis of this Project.

Financial Assistance by ICICI

8458. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) the gross income of the Industrial Credit and Investment Corporation of India during the years 1985 and 1986, respectively;

(b) the details of the total annual sanctions of financial assistance by ICICI during the years 1985 and 1986 respectively;

(c) the total allocation made by ICICI under the Programme for Advancement of Commercial Technology (PACT) and what is the period/ date within which the assistance given is to be utilised; and

(d) details of projects identified, cleared and completed, separately under PACT?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). The required information as furnished by the Industrial credit and Investment Corporation of India (ICICI) is as under:-

(Rs. in crores)

	1985	1986
(i) Gross Income:	211.72	280.05
(ii) Assistance *sanctioned:*		
Rupee Loans	297.12	391.81
Foreign currency loans	169.99	356.79
Underwriting and Direct Subscription	40.94	71.74
Guarantee	18.35	23.00
Suppliers Credit	87.10	135.70
Leasing	28.10	103.70
Total: (ii)	641.60	1082.74

(c) The total allocation made to ICICI under the Programme for the Advancement of Commercial Technology (PACT) is US dollars 10.6 million. This amount is required to be utilised by July, 1990.

(d) The ICICI has reported that it has sanctioned assistance aggregating Rs. 156 lacs to 4 projects under PACT. Since PACT has become operational recently, no projects are reported to have been implemented so far.

Leasing Business by Nationalised Banks

8459. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) the number of companies in the public sector that are engaged in the leasing business;

(b) whether the nationalised banks have commenced leasing business;

(c) if so, details thereof;

(d) the steps initiated to frame laws to regulate the functioning of the leasing companies; and

(e) the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) Companies in teh public sector are not engaged in the leasing business.

(b) and (c). The Reserve Bank of India has recently permitted the Central Bank of India to set up a subsidiary for transacting leasing equipment business. The Central Bank of India jointly with the Unit Trust of India and Housing Development Finance Corporation will have equity participation in the proportion of 51:13:19 respectively.

(d) and (e). Companies engaged in leasing are, like other companies registered under the Companies Act, 1956 and are required to comply with the relevant provisions thereof. They have to abide by the Rules & Regulations, wherever applicable, made under the Capital Issues (Control) Act, Securities Contracts (Regulation) Rules, Foreign Exchange (Regulation) Act, Monopolies & Restrictive Trade Practices Act, Reserve Bank of India Act, etc. Hence the question of framing any laws to regulate the functioning of leasing companies does not arise.

Appointments to IAS/IPS/IFS

8460. SHRI N. DENNIS: Will the PRIME MINISTER be pleased to state the number of candidates recommended for appointment to IAS, IPS and IFS separately in each of the last three years State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): A statement is given below.

Statement

Appointment to IAS/IPS/IFS

Sl. No.	State/Union Territory	Indian Administrative Service			Indian Police Service			Indian Forest Service		
		1983	1984	1985	1983	1984	1985	1983	1984	1985
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
1.	Andhra Pradesh	10	14	16	8	8	10	14	22	24
2.	Assam	—	2	—	—	1	3	1	1	1
3.	Meghalaya	2	2	1	—	—	—	1	3	1
4.	Bihar	18	20	22	16	13	24	22	14	18
5.	Gujarat	—	2	2	—	2	—	1	—	—
6.	Haryana	3	8	4	4	7	2	7	2	10
7.	Himachal Pradesh	4	1	3	1	—	1	3	3	3

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
8.	Jammu & Kashmir	1	1	—	1	—	1	2	1	—
9.	Karnataka	6	2	2	4	2	4	4	10	7
10.	Kerala	3	5	2	3	2	2	—	3	2
11.	Madhya Pradesh	2	7	3	2	—	4	4	7	7
12.	Maharashtra	2	6	2	—	—	4	7	3	1
13.	Manipur	2	2	—	1	1	—	—	—	—
14.	Tripura	—	—	—	—	—	—	—	—	—
15.	Nagaland	—	—	1	—	—	—	2	2	1
16.	Orissa	6	11	13	—	6	2	10	11	10
17.	Punjab	15	14	15	7	12	5	4	7	5
18.	Rajasthan	12	11	10	6	14	11	8	13	8
19.	Sikkim	1	—	1	—	—	—	—	—	—
20.	Tamil Nadu	9	4	2	2	3	4	6	4	2
21.	Uttar Pradesh	23	29	28	21	25	21	51	53	65
22.	West Bengal	1	7	—	1	2	2	2	4	3
23.	Delhi	20	11	10	6	3	7	6	10	7
24.	Chandigarh	2	—	—	1	—	1	1	2	—
25.	Mizoram	—	1	—	1	—	—	1	—	1
26.	Arunachal Pradesh	1	—	—	—	—	1	—	—	—
27.	Pondicherry	—	—	—	—	—	—	—	—	—
28.	Goa, Daman & Diu	—	—	—	—	—	—	—	—	—
		143	160	137	85	101	109	157	175	176

Disposal to Radioactive Waste in Kolar Gold Fields Mines

8461. SHRI N. DENNIS: Will the PRIME MINISTER be pleased to state:

(a) whether the radioactive wastes produced by the Atomic Power Plants in India are being dumped at Kolar Gold Mines;

(b) if so, the reasons therefor; and

(c) the grounds on which Kolar Gold Mines were selected for this purpose?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) No, Sir.

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

Grants to Bharat Seva Samaj, Madras

8462. SHRI N. DENNIS: Will the Minister of WELFARE be pleased to state:

(a) whether Bharat Seva Samaj, Madras is in receipt of Central grants either in cash or kind;

(b) if so, the details thereof;

(c) the purposes for which such grants are given; and

(d) the steps taken to ensure that the grants are utilised properly?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) No organisation by the name of Bharat Seva Samaj, Madras, received grant from this Ministry.

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

Chairmen and Managing Directors of Public Undertakings

8463. SHRI N. DENNIS: Will the PRIME MINISTER be pleased to state:

(a) the details of the public sector undertakings which have public men as Chairmen or Managing Directors and which have officials as such Chairmen/or/and Managing Directors; and

(b) whether there is any decision to appoint more public men as chairmen of the public undertakings?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) As per available information, the following public enterprises have public men as Part time Chairmen:

1. Central Warehousing Corporation
2. State Farms Corporation of India.
3. North Eastern Handicrafts and Handlooms Development Corpn.
4. Nagaland Pulp and Paper Co.
5. Modern Food Industries Ltd.

The following undertakings have officials as Part time Chairmen:

1. Paradeep Phosphates Ltd.
2. Neelachal Ispat Nigam Ltd.
3. Mahanagar Telephone Nigam Ltd.
4. Videsh Sanchar Nigam Ltd.
5. Electronics Corpn. of India.
6. Mishra Dhatu Nigam Ltd.
7. Indian Railway Finance Corporation.
8. Bharat Dynamics Ltd.

The following undertakings have officials on deputation as Chairmen/or/and Managing Directors:

1. Cotton Corporation of India.
2. Central Warehousing Corporation.
3. Food Corporation of India.
4. Handicrafts & Handlooms Development Corporation.
5. Andaman & Nicobar Islands Forests & Plantation Dev. Corpn.
6. Goa Shipyard Ltd.
7. National Textile Corporation (Holding Company).
8. North Eastern Handicrafts and handlooms Development Corporation.

(b) No, Sir.

Alleged Malpractice by Company Promoters

8464. SHRI D.N. REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to a statement issued on 13 February, 1987 by the Stock-broker Underwriters Association, Bombay complaining that many companies coming to the capital market have been changing their accounts even for the previous years to create misleading impression about their profitability and net-worth;

(b) whether the statement has referred to any other malpractices indulged in by company-promoters to sell their shares/debentures;

(c) if so, the details thereof; and

(d) the reaction of Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLIEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) to (d). The principal points made in the Press Statement are as follows:

i) Just before opening of a public issue, corporate promoters and their merchant bankers start sending application forms and corporate literature which often contain mis-representation of facts, exaggerated statements, and vital changes in accounting practices for the earlier years to create misleading impressions about profitability or net worth.

ii) Several merchant bankers seek from broker underwriters immediate signatures on undated underwriting agreements which are not accompanied by even the draft prospectus and which are being used, when the market situation might have entirely changed.

iii) Buy-back assurance is given to NRIs.

iv) Changes occasionally take place in the composition of the Board of a company or the project undergoes some changes after taking consent of the underwriters, and the underwriters are not informed of the same nor any consent taken from them for the changes.

v) Prices of shares are rigged up by promoters of existing companies to sell their new shares and debentures.

vi) Company's promoters or their agents make announcements about overwhelming response to the public issues while they inform the broker underwriters about undersubscription.

2 The charges relate essentially to the unfair practices adopted by certain promoters, merchant bankers, etc. On matters like advertising, underwriting, etc., certain guidelines have already been issued to plug the loopholes in the present system.

3. Some of the allegations made by the Stockbroker Underwriters Association are too general and specific instances have not been cited. If the same are made available in time to the Stock Exchange authorities, they could be examined under the provisions of the relevant statutes and the guidelines and suitable action, wherever required, could be taken. The proposed statutory Board for the Securities Industry would be in a position to take stringent positive action and enforce compliance of the law and the guidelines issued.

Elephant Population

8465. SHRI CHINTAMANI JENA: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) the number and location of elephant reserves in the country; and

(b) the number of elephants in each of these reserves?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI): (a) There are no exclusive elephant reserves in the country. A list of Sanctuaries and Parks in which elephants occur is given in the statement given below.

(b) Elephants do not remain confined in a particular reserve. As such, elephant populations of each reserve can not be given separately. Estimated population of elephants for different zones of the country is given below:

Estimated Elephant Population of India

Name of Zone	State	Estimated Popuiation Betweer	
1	2	3	
Southern	Tamilnadu Kerala Karnataka Goa and Part of Andhra Pradesh	6000	8000
Eastern	Bihar, Orissa and West Bengal	2000	2300
North-East	Mizoram, Arunachal,	8000	12000

1	2	3
	Tripura, Nagaland, Meghalaya and Assam	
North-West	Uttar Pradesh 500	700
	Total: 16500	23000

Statement

List of Reserves in which Elephants are Found in Sizeable Number

Name of State	National Park	Sanctuaries
1	2	3
Arunachal Pradesh	—	Itanagar, Lali, Pakhui
Meghalaya	—	Nongkhyllem, Siju
Mizoram	—	Dampa
Assam	Kaziranga	Barnadi, Manas, Orang, Pobitara, Pabha, Sonai-Rupai, Garam-pani.
Kerala	Eraviku-lam, Peri-yar Silent Valley	Parambikulam, Peechi, Idukki, Peppara, Thatte-kkadu, Wynad.
Karnataka	Bandipur, Bannerg-hatta, Na-garahole	Bhadra, Biligiri, Rangasami, Bra-hmagiri, Dandeli, Shettyhally.
Goa	—	Bhagwan Mahavir.
Tamil Nadu	—	Anamalai, Kalakad, Karikili, Mudumalai, Mundanthurai.
Bihar	Palamau	Dalma, Topchanchi.
Orissa	Similipal	Similipal, Baisipalli. Chandaka-Dampada, Hadgarh, Khalasuni Kotgarh, Kuldiha, Satkosia, Ushakothi.
West Bengal	—	Champramari, Gorumara, Jaldapara, Mahananda.
Uttar Pradesh	Corbett, Dudhwa, Rajaji	—

Eliciting of Public opinion on Mandal Commission Report

8466. SHRI CHINTAMANI JENA: Will the Minister of WELFARE be pleased to state:

(a) Whether modalities for eliciting public opinion on Mandal Commission Report have been finalised;

(b) if so, the details thereof; and

(c) if not, the likely time by which the modalities will be finalised?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) to (c). The modalities for eliciting public opinion on the list of Other Backward Classes prepared by Mandal Commission are under active consideration of the Government. It is not possible to indicate a time-limit for finalising the modalities.

Uranium from Sea Water

8467. SHRI CHINTAMANI JENA: Will the PRIME MINISTER be pleased to state:

(a) whether sea water contains uranium in low concentration;

(b) if so, whether any experiment has been undertaken to separate it from sea water;

(c) if so, the result achieved; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) and (b). Yes, Sir. Laboratory tests have been conducted in Bhabha Atomic Research

Centre to find out the possibility for concentrating uranium from sea water and separating it. Several attempts were also made to find new materials for absorption of uranium.

(c) and (d). B.A.R.C. experiments have shown that the cost of recovering uranium from sea water by presently known processes is very high.

Loans to Weaker Sections in Tamil Nadu

8468. SHRI P.R.S. VENKATESAN: Will the Minister of FINANCE be pleased to state:

(a) the total amount of loans given by the nationalised banks to weaker sections of society in urban and rural areas of Tamil Nadu during the last three years;

(b) whether Government are aware of the difficulties faced by the people in the State in getting loans; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). State-wise data on advances to weaker sections separately for Urban and Rural areas is not collected by Reserve Bank of India. However, outstanding advances of public sector banks to weaker sections in the State of Tamil Nadu as a whole for the last three years was as under:-

(Amount in Rs. crores)
(Accounts in lakhs)

Year	No. of Accounts	Amount Outstanding
December 1983	14.3	303
December 1984	18.1	446
December 1985	20.2	506

As per Reserve Bank of India's guidelines, banks have been advised that their outstanding advances to weaker sections under various schemes and programmes, should be atleast 10 per cent of their total outstanding advances, and this target has been achieved by public sector banks.

Whenever specific complaints/ genuine difficulties in regard to bank loan cases are brought to the notice of Government they are looked into for necessary remedial action.

U.K. Loans to India

8469. DR. B.L. SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have studied the impact of the change in the U.K. budget in the availability of tax benefits on the loans provided by the U.K. banks on a tax sparing basis on the Indian Financial Institutions and a few other leading Indian Public Sector Corporations; and

(b) if so, its outcome and how the U.K. budget provision will hit the Indian borrowers?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMADUTT): (a) and (b). The Government are aware of the changes proposed in the recent U.K. budget in regard to the loans offered by U.K. banks on tax sparing basis. The changes are *prima facie* likely to reduce the capacity of the banks to offer finely priced loans in future on U.K. tax sparing basis. There may be a possibility of a slight increase in the interest margin on existing U.K. tax spared loans after the budget proposals are implemented.

Credit Authorisation Scheme

8470. DR. B.L. SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) whether the credit authorisation scheme is being streamlined to speed up credit disbursement to borrowers and speed up credit delivery; and

(b) if so, the broad features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). Yes, Sir, Under Credit Authorisation Scheme (CAS) which was introduced in 1965, the banks were required to obtain prior authorisation from the Reserve Bank of India (RBI) in respect of credit limits of Rs. 1 crores and above, required by borrowers from the banking system. The cut-off point of Rs. 1 crore under the CAS has been raised from time to time. Since April, 1986, the cut-off point is Rs. 6 crores in respect of borrowers other than exporters and Rs. 7 crores for exporters (i.e. whose annual average export during the preceding three calender years is more than 25% of their turnover and whose export turnover in the following years is not likely to fall below 25% of the total turnover). Prior authorisation is also required for sanction of terms loans, repayable over a period exceeding three years, to parties having aggregate term loans including deferred payment guarantees of Rs. 1 crores and above from the banking system irrespective of level of working capital limits.

RBI has advised that right from the inception of the scheme, all efforts are being made for speedy disposal of the applications received by it. Unless, certain additional essential information is required, its decisions are conveyed in as short a period as possible.

However, borrowers coming within the purview of CAS and complying with certain stipulated criteria, are entitled to get upto 50% of the enhanced working capital sought by them, released by their bankers without seeking prior authorisation of RBI. This facility known as "Fast Track" is to enable speedy releases of funds to borrowers adhering to good financial discipline.

Application of Gold Control Act 1968 to Religious shrines

8472. SHRI SHANTI DHARIWAL: Will the MInister of FINANCE be pleased to state:

(a) whether Gold Control Act 1969 is applicable to all religious shrines in India; and

(b) if so, the names of these shrines, community-wise indicating the quantity of gold received by them during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). Information to the extent possible is being collected and will be laid on the Table of the House.

Schemes for Preventing Juvenile Social Mal-Adjustment

8474. DR. P. VALLAL PERUMAN: Will the Minister of WELFARE be pleased to state:

(a) the salient features of the Centrally sponsored scheme for the prevention and control of juvenile social mal-adjustment;

(b) when was the scheme launched; and

(c) the impact of the scheme to check juvenile deliquency?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) The Centrally Sponsored Scheme for Prevention and Control of Juvenile Social Mal-adjustment in conformity with the Juvenile Justice Act aims at providing an infra-structure for the administration of justice to juveniles. The scheme provides for involvement of voluntary welfare agencies in evolving a separate sysem for handling of a deliquent and non-delinquent children at various stages and also seeks to provide assistance for bringing a qualitative improvement in the juvenile justice services on the basis of minimum standards.

(b) and (c). The scheme was approved by the Planning Commission in 1986-87 and token grants were released in March 1987 to some States for strengthening and creating infra-structure. The assistance being provided, it is hoped, will check the incidence of deliquency amongst the juveniles.

Inclusion of Sansi in Scheduled Tribes List

8475. DR. P. VALLAL PERUMAN: Will the Minister of WELFARE be pleased to state:

(a) whether Government propose to include Sansi (Vimukt and Taprivas Jatis) community in the Scheduled Tribes list; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) and (b). The proposal to include Sansi (Vimukt and Taprivas Jatis) community in the list of Scheduled Tribes alongwith similar other proposals is being considered in the context of the proposed comprehensive revision of the lists of Scheduled Castes and Scheduled Tribes. Further, amendment in the existing lists of Scheduled Castes and Scheduled Tribes can be done only through an Act of Parliament in view of Articles 341(2) and 342(2) of the Constitution.

National Tribunal Award for temporary Workers in LIC

8476. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the award given by the National Industrial Tribunal, gazetted on 7th June, 1986 and the High Court of Bombay in the writ petition No. 1801 of 1986 regarding Badli temporary and part-time workmen of the Life Insurance Corporation;

(b) if so, whether all the beneficiaries of the award were properly listed to ascertain their suitability and willingness for absorption;

(c) if so, whether categories like watermen, liftmen, chowkidar, electrician, helper have been considered for absorption;

(d) if so, whether arrears arising out of the award as also due to enhanced rates have been disbursed; and

(e) whether the practice of employment of persons through contractors has been stopped in the Life Insurance Corporation?

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

(b) Yes, Sir.

(c) Those who had worked as temporary, badli, part-time in any of the categories having regular scale of pay for minimum number of days as specified in the award have been considered eligible for absorption.

(d) Instructions have already been issued on 25.2.1987 by the Life Insurance Corporation of India to the offices of the Corporation in the matter of payment of arrears of wages arising out of and due to enhanced rates as per the Award.

(e) As a matter of policy the Corporation does not engage persons through contractors for jobs of regular nature.

Policy for Permitting Overseas Body Corporate Owned by NRI to Invest in India

8477. SHRI RAJ KUMAR RAI: Will the Minister of FINANCE be pleased to state:

(a) the rationale of Government policy for permitting overseas body corporate owned by Non-Resident Indians to make investment in India;

(b) whether Government are contemplating to make any change in this policy; and

(c) if so, details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLIUM AND NATURAL GAS MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) The basic rationale for offering facilities to Non-Resident Indairls/ persons of Indian Origin to invest in India was to increase the flow of foreign exchange remittances. The reasons for extending these facilities for investment in Indian industry to corporate entities, trusts, etc. owned by Non-Residents of Indian nationality or origin are : firstly, the investible resources of non-resident Indians are, in many cases, held in the form of companies, trusts, co-operative societies, etc. rather than in their individual capacity; and secondly, the tax situation and other regulations obtaining in many countries necessitate resources being held and investments being made through corporate entities.

(b) No, Sir.

(c) Does not arise.

Plantation of Rudraksha Trees

8478. SHRI JAGANNATH PATTNAIK:
SHRI H.B. PATIL:

Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether there are Rudraksha trees in the country;

(b) if so, State-wise plantation of these trees;

(c) the names of the countries where they are abundantly found; and

(d) the steps proposed to plant more Rudraksha trees in the country during the Seventh Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FOREST (SHRI Z.R. ANSARI): (a) to (c)."Rudraksha" trees occur sporadically in the forests of Andaman and Nicobar Islands, Arunachal Pradesh, Assam, Madhya Pradesh and Maharashtra and have been planted in gardens in many parts of the country. Outside India its occurrence is reported in Bangladesh, Indonesia, Malay Peninsula and Nepal.

(d) There is no proposal currently under consideration of Government of India to plant Rudraksha trees extensively.

[*Translation*]

Seizure of Gold in October-December, 1986

8479. SHRI SWAMI PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) the quantity and value of gold seized between October and December, 1986; and

(b) the steps proposed to be taken to check smuggling of gold?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The quantity and value of gold seized under the Customs Act, 1962 during the period October to December, 1986 is given below:-

Quantity (in Kgs.)	Value (Rs. in crores)
302.5	7.22

(b) The anti-smuggling machinery throughout the country remain alert, particularly in the vulnerable areas, to prevent and detect smuggling of gold into the country through various means. Sophisticated anti-smuggling equipments are utilised in this task. Close co-ordination is maintained with all concerned agencies to the prevention and detection of gold smuggling into the country.

[*English*]

Malpractices in Stock Exchanges

8480. SHRI D.N. REDDY:
SHRI SRI HARI RAO:

Will the Minister of FINANCE be pleased to state:

(a) whether the G.S. Patel High Powered Committee on Stock Exchange Reforms has pointed out to certain malpractices prevailing in Stock Exchanges; and

(b) the action taken to curb the malpractices?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) Yes, Sir.

(b) Many of the recommendations made by the High Powered Committee on Stock Exchanges in this regard have been accepted by the Government and suitable instructions issued to Stock Exchanges for implementation of the decisions. Government have also decided to set up a separate Board for the regulation and orderly functioning of the Stock Exchanges and securities industry.

Replacement of Machinery in Factories damaged in November, 1984 Riots

8481. SHRI. D.N. REDDY: Will the Minister of FINANCE be pleased to state:

(a) the number of companies affected during November, 1984 riots of Delhi which have since been able to replace their machinery;

(b) the number of those companies which have not yet been able to replace their machinery and the reasons for their inability; and

(c) whether Government propose to help such companies to get required machinery?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The present data reporting system from banks does not generate information in the manner asked for as there is no provision for collection of data as to the number of companies which have been able to replace their machinery etc. under the scheme for providing financial assistance to the riot victims through the banks assistance, prescribed by Reserve Bank of India (RBI). However, RBI issued guidelines to banks on 6, 12 and 14 November, 1984 advising them to provide need-based loan assistance on concessional terms and conditions to the affected persons/units in November, 1984 disturbances, or for acquiring assets which were used for production, business etc., have been lost or damaged. These guidelines envisage conversion and rescheduling of existing loans, grant of fresh advances at concessional rate of interest, waiver of margin requirements in respect of advances upto Rs. 1 lakh, non-insistance on collateral security/third party guarantee for loans upto Rs. 25,000/- in industries, service and business sectors, elimination of unnecessary documentation and procedural formalities, speedy clearance of proposals etc. Further, the period of accepting the loan applications from persons affected in November, 1984 disturbances stands extended upto 30th June, 1987. As per the information available with Reserve Bank of India, 6805 cases were sanctioned loans to the extent of Rs.34.33 crores till 30th September, 1986. These amounts also include assistance for the replacement of machineries lost or destroyed in November, 1984 disturbances.

Per Capita Income

8432. SHRI D.N. REDDY: Will the Minister of FINANCE be pleased to state:

(a) the per-capita income in the country during 1985-86;

(b) how does it compare with that of previous three years; and

(c) the steps taken to raise the per capita income?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) and (b). According to the latest estimates released by the Central Statistical Organisation, the per capital income in the country during 1985-86 and the previous three years is as follows:

Per capita income (Rupees)

Year	At current prices	At constant (1970-71) prices
1985-86	2595.6	797.7
1984-85	2354.8	774.6
1983-84	2186.6	763.8
1982-83	1887.3	721.5

(c) The Seventh Plan development strategy and the pattern of growth emerging from it are expected, *inter-alia*, to increase the per capita income and thereby improve the standard of living of the people. A number of programmes particulary poverty alleviation and employment promotion programmes like Integrated Rural Development Programme, National Rural Employment Programme, Rural Landless Employment Guarantee Programme, Self Employment Programme for the Urban Poor, Self Employment Programme for Educated Unemployed Youth, etc., which are being continued in the Seventh Plan at an accelerated pace are expected to help in raising the per capita income of the people.

Seizure of Polyester Fibre at Bombay Dock

8483. SHRI S.M. GURADDI: Will the Minister of FINANCE be pleased to refer to reply given to Unstarred Question No. 2768 on 21 November, 1986 regarding seizure of polyester fibre at Bombay dock and state:

(a) whether the departmental adjudication proceedings are over;

(b) if so, the details of the findings of the departmental investigations; and

(c) whether the duty due from the Mills has been recovered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). The Departmental adjudication proceedings referred to in part (c) of Lok Sabha Unstarred Question No. 2768 answered on 21st November, 1986, are still in progress. The next date of personal hearing has been fixed for 27th April, 1987.

(c) No, Sir.

Entry of Private Leasing Companies in Housing Finance Market

8484. SHRI S.M. GURADDI:
SHRI H.N. NANJE GOWDA:

Will the Minister of FINANCE be pleased to state:

(a) whether the private leasing companies have recently entered the housing finance market;

(b) if so, whether individuals will be provided loans by these private leasing companies;

(c) if so, the details thereof; and

(d) to what extent this would help in the development of housing in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). Reserve Bank of India has stated that certain private leasing companies are recently reported to have entered the housing finance market and have offered housing finance to individuals.

The provisions of Non-Banking Financial Companies (Reserve Bank) Directions, 1977, are applicable to these companies. However, these provisions seek to regulate deposit acceptance activities of these companies and the said directions do not extend to deployment of the funds by these companies. In the circumstances, information relating to loans extended by these companies and other details, is not available with Reserve Bank of India.

Study of the Functioning of CGEC Co-operative Society, New Delhi

8485. SHRI KAMLA PRASAD SINGH: Will the PRIME MINISTER be pleased to state:

(a) whether a private firm has been engaged by the Central Government Employees

Consumer Co-operative Society Limited, New Delhi for the study of its working and to suggest various systems in the organisation and business thereof; and

(b) if so, details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI BIREN SINGH ENGTI): (a) and (b). Yes, Sir. A.F. Ferguson & Co., a firm of Management Consultants, has been engaged to carry out Systems Study of the Central Government Employees Consumer Cooperative Society Limited covering procurement and inventory control systems, organisation structure upto the supervisorly level including preparation of Personnel Policy Manual, financial accounting systems, internal audit requirements of the organisation and Computerisation feasibility (including software development, implementation and training).

Wasteland Development by Co-operative Sugar Mills

8486. SHRI BALASAHEB VIKHE PATIL: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether the National Wasteland Development Board has urged all Co-operative Sugar Mills to undertake afforestation through their federal organisations in their areas as well as on Government land;

(b) the response of the sugar mills in the matter;

(c) whether sugar mills have brought any difficulties to Government's notice; and

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

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI) : (a) The National Wastelands Development Board has held certain initial discussions with Co-operative Sugar Mills Federation in Maharashtra for afforestation of their member's land and of Govt. lands in their areas by catalysing small, marginal farmers and landless of the area also.

(b) to (d). The Co-operative Sugar Mills Federation of Maharashtra have expressed considerable interest, but have also stated that the primary problem is of availability of land near their area of operations for involving small/marginal farmers and landless poor in afforestation projects and fodder development.

Environment Protection

8487. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) the main recommendations on environment protection made at the 73rd Session of the Indian Science Congress Association held in 1986; and

(b) the steps taken in pursuance of the recommendations ?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI) : (a) and (b). The main recommendations made on Environment protection at the 73rd session of the Indian Science Congress which was held in 1986, are :-

(i) An Advisory Body on Environment be set up on the lines of the Scientific Advisory Committee to Cabinet to assist in developing policies on pressing national environmental issues.

(ii) A document on national conservation strategy be formulated which should lead to the formulation of a national policy for sustainable development.

(iii) Environmental management institutions to serve the research, training and consultancy needs in the field of environment to be established.

(iv) Establishment of the Indira Gandhi

Institute for Himalayan Environment and Development to be expedited.

(v) Conservation and Development of Resources shall be given importance.

(vi) Activities for regeneration of eco-systems should be taken up.

(vii) Regulation and implementation of laws in the areas of water and air pollution, mining, urban cleaning and safe disposal of hazardous wastes be taken up.

(viii) Organisation of environmental education both formal and informal shall be attended to.

(ix) A national data bank be set up on toxic chemicals, ambient air quality and meteorology.

(x) Identification of suitable plant species for fuel and fodder to meet the present and the future needs.

(xi) Protection of mangroves and fragile eco-system.

Government have taken the following steps:-

1. A National Wastelands Development Board was creared in 1985 with idea of fulfilment of the fuelwood and fodder needs of the people.

2. The National Natural Resource Management System (NNRMS) is being utilised for the management of natural resources. Several conservation measures have been taken up to preserve faunal resources.

3. The Department has constituted a National Mangrove committee to advise on developmental strategy on conservation of mangroves in the country.

4. Certain water-sheds have been selected for integrated soil conservation and afforestation.

5. Mined area reclamation in Mussoorie Hills has been taken up by an eco-task force. The eco-regeneration programme of the Department is initiated with the objective of speedy restoration of demaged eco-system and arresting further damage.

6. A *comprehensive legislation* Environment (Protection) Act, 1986 was enacted in May, 1986 and was brought in force on 19.11.1986. This provides of stringent penalties for violation of its provisions.

7. The Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 are being amended to make the implementation more effective.

8. The new education policy of Government of India provides for the incorporation of environmental considerations in education process. A national awareness campaign is launched through the mass media to cover large sections of the populations.

9. Environmental Information Systems have been set up in ten institutions which collect data on different aspects of environment.

10. For pollution control at source, Minimal National Standards (MINAS) have been fixed. Emission limits have been laid down for major polluting industries and some of these have been made statutory under Environment (Protection) Act, 1986.

11. A national wildlife action plan has been drawn up which is under implementation.

12. A programme on Research Education & Training is being implemented by the Government in collaboration with Universities, research and development institutions and non-governmental organisations.

[*Translation*]

Refund of Tax Deducted at Source from Certain Payments

8488. SHRI DAL CHANDER JAIN: Will the Minister of FINANCE be pleased to state:

(a) the tax deducted at source from various payments on account of interest, commission and contract charges during the past two years as also the amount which was refunded out of it;

(b) the details as to how the Tax Deducted at Source statement is checked and how it is ensured that the amounts so deducted at source were deposited in the treasury in time; and

(c) if there is no such arrangement to check it, the corrective steps proposed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The amounts of tax deducted at source from the various payments during 1985-86 are as under:

(In crores of rupees)

Interest	674.16
Insurance commission	9.38
Payment to Contractors	295.73

The figures for 1986-87 are not yet ready. As regards the commission, separate figures are available in respect of Insurance commission only. No separate registers have been prescribed for the refunds made separately under various heads and as such the amounts refunded out of the above mentioned amount are not available;

(b) Income-tax Rules 37, 37 (2A), 37 (2C) and 37 (2D) enjoin the persons making deduction of tax from payments made relating to interests etc. to send to the concerned Income Tax Officer, Statements of such payments in the prescribed forms, namely Form Nos. 25, 26A, 26C, 26D, 26E and 26F. These forms provide in detail information relating to the name of the assessee, the amount of tax deducted at source, the date of payment of tax so deducted into the treasury etc. The Income Tax Officers are required to watch the submission of such forms by due date. They are also required to maintain register to watch deduction of tax payment of such deduction into the treasury etc. The cases of non-compliance which come to the notice of the Income-Tax Officer are liable to consequential penal action.

(c) Does not arise in view of reply to (b) above. However, constant efforts are being made to improve the system.

Banking Facilities in Pithoragarh and Almora Districts of U.P.

8489. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the minimum radius in kilometres within which Government propose to provide bank facility in hilly areas of the country;

(b) whether he is aware of the fact that there are several places in Pithoragarh and Almora districts of Uttar Pradesh where bank facility is not available even within a radius of 25 kilometres; and

(c) if so, the steps proposed to be taken by Government to remedy this situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The objective of the current Branch Licensing Policy for 1985-90, is to achieve a coverage of 17,000 population in the rural and semi-urban areas of each development block. The Policy also envisages that a rural branch should normally cover an area of 200 sq.kms. and a rural branch should be available within a distance of 10 kms. from each village. For Hilly tracts, regions which are sparsely populated and tribal areas a relaxed population coverage norm of 12,000/10,000 has been prescribed. Reserve Bank of India (RBI) has reported that 15 centres in Almora District which were not having banking facilities within a distance of 10 kms., included in the lists of identified centres received from the State Government of Uttar Pradesh, have not been considered for allotment to any bank due to meagre population, ranging between 100 to 480, at these centres. RBI considers that opening of bank offices at these centres would not be a viable proposition. RBI has reported that as at the end of December, 1986 there were 69 bank offices in Almora District and 33 bank offices in Pithoragarh District. The average population per bank office (APPBO) was 11,000 in Almora District and 14,500 in Pithoragarh District. The APPBO in these districts compare favourably with All India average population of 15,000 in respect of rural and semi-urban areas.

In respect of deficit blocks in these two Districts on the basis of population criteria, additional centres if identified by the Group and approved by the State Government would be eligible for consideration by RBI under the Policy norm.

Opening of a State Bank of India Branch in Chiliyanaula, Almora

8490. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal to open a branch of State Bank of India in Chiliyanaula, Almora District Uttar Pradesh during the year 1987-88;

(b) if so, the time by which it is likely to be opened; and

(c) if not, the reasons therefor?

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

[*English*]

Tax on Gifts to Mentally Retarded Persons

8491. SHRI V.S. KRISHNA IYER: Will the Minister of FINANCE be pleased to state:

(a) whether gift tax is being levied on gifts made in favour of mentally retarded persons;

(b) if so, whether Government propose to exempt such gifts from the levy of gift tax; and

(c) if not, the reasons therefor?

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

(b) No, Sir.

(c) Gifts of value upto Rs. 20,000 are exempt from gift-tax. In view of this, the Government does not consider it necessary to grant any further specific exemption in respect of gifts to mentally retarded persons.

[*Translation*]

Supply of Inferior quality of Pump sets to farmers in Bihar

8492. SHRI KUNWAR RAM: Will the Minister of FINANCE be pleased to state:

(a) whether the quality of pumping sets supplied to farmers by the nationalised banks in Bihar is very poor; and

(b) if so, the action taken against the officers found responsible for supplying inferior quality pump sets to farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). The National Bank for Agriculture and Rural Development (NABARD) has reported that it had earlier conducted a sample study regarding the quality of pump sets financed by banks. The sample study included an in-depth enquiry in a few selected geographical areas of the country including the State of Bihar. According to the study, the banks were not generally forcing the borrowers to buy any particular brand of pump set and the choice of make of pump set was left to the borrower/s and that most of the pump sets financed by banks bear ISI quality mark. The cases of sub-standard pump sets financed were found to be negligible.

NABARD has further reported that its refinance facilities are available only in respect of finances given for ISI mark or

Q marked pump sets approved by the State Level Technical Committees. NABARD has been insisting on quality control on pump sets and this policy is kept under constant review.

[*English*]

District level Wasteland Development Boards

8493. SHRI PRATAP BHANU SHARMA: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) the names of States that have set up District Environment Boards for development of waste land; and

(b) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI): (a) and (b). No District Environment Committees have been set-up for the development of wasteland in the country. In the State of Punjab, however District Environment Committees were constituted mainly to spread environmental awareness among the people.

Response to Corporate and Public Sector Enterprises on Public Equity

8494. SHRI PRATAP BHANU SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether the response to corporate sector and public sector enterprises to raise the desired public equity through open public share subscription during 1986-87 was poor;

(b) if so, the response thereof; and

(c) the details of those companies whose public shares were issued during the above period but could not be fully subscribed?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY FINANCE (SHRI BRAHMA DUTT): (a) to (c). The response to the public issues of equities by the private corporate sector during 1986-87 was generally satisfactory. Certain public issues which involved good projects and reputed promoter groups received overwhelming response. However, investors have generally become choosy about investing in brand new projects involving new promoters without a track record. According to the figures maintained by the Bombay Stock Exchange which accounts for the bulk of the new issues, out of total number of 290 issues during 1986-87, 32 issues were undersubscribed.

Loans Advanced to People in Madhya Pradesh

8495. SHRI PRATAP BHANU SHARMA: Will the Minister of FINANCE be pleased to state:

(a) the total amount deposited in the branches of nationalised banks located in various districts of Madhya Pradesh during the years 1985 and 1986 as also the percentage of the amount advanced to the people of Madhya Pradesh as loans; and

(b) The amount out of the deposits advanced to the agriculture and industrial sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The present data reporting system of Public Sector Banks gives figures of aggregate deposits at a particular point of time and as such Reserve Bank of India has reported that the information relating to amount deposited during a particular year or period are not available. Further the latest available figures with Reserve Bank of India of deposits in Madhya Pradesh are upto September 1986. As per Reserve Bank of India's latest available data, the aggregate deposits of all Public Sector Banks in Madhya Pradesh and also the Credit Deposit Ratio in the State as at the end of December 1985 and September1986 respectively were as set out below:-

(Amount in Rs. crores)

	Dec. 1985	Sept.1986
Deposits	2931	3278
Credit Deposit Ratio	58.8	56.8

(b) The outstanding amount of advances of Public Sector Banks for Agriculture and Small Scale Industries (SSI) in Madhya Pradesh as at the end of December 1984 and December 1985 respectively were as follows:-

(Amount in Rs. crores)

Year	Agriculture	SSI
December 1984	382	209
December 1985	451	263

Employment to Scientists in Scientists Pool

8496. SHRI K. PRADHANI: Will the PRIME MINISTER be pleased to state:

(a) the number of Scientists included in the Scientists Pool as on 31 December, 1986;

(b) the monthly emoluments paid to them; and

(c) steps taken to give them regular employment?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) 506 Scientists were working in the Scientists' Pool as on 31.12.1986.

(b) The Pool Scientists are paid fixed basic pay in the pre-revised pay range of Rs. 700-2000/- p.m. (which is under revision) and allowances admissible to Class-I Scientists of CSIR. The basic pay is fixed on the basis of their qualifications, publications, special achievements and also the performance at the interview.

(c) Biodata of selected Pool Officers are published in the "Directory of Scientific and Technical Personnel", which is published 4 times in a year. The Directory is circulated to about 900 employing organisations such as public sector industrial undertakings, scientific and technical departments, research and development organisations/institutions, universities/IITs/UPSC State Public Service Commissions, and selected private sector industries. Their availability is thus brought to the notice of a wide spectrum of employing organisations for the purpose of consideration for absorption into regular positions.

Biodata of working Pool Officers are also forwarded against specific personnel enquiries received from Medical Colleges and Hospitals, Research and Development institutions, Central Government Departments, Public Sector Industries and Private Sector Industries.

Working of Lamps

8497. SHRI K. PRADHANI: Will the Minister of WELFARE be pleased to state:

(a) whether the shortcoming in the working of the Large sized Multi-purpose Societies (LAMPS) in tribal areas have come to the notice of Government;

(b) if so, the details thereof;

(c) whether Government propose to have a comprehensive review of their working; and

(d) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) Yes, Sir.

(b) Some of the shortcomings identified are: Lack of aggressive investment, lending, non-availability of trained and experienced personnel for manning executive positions, unhealthy competition from the private traders, absence of efffective marketing organisation and marketing intelligence, lack of infrastructural arrangements for storage and transportation, inadequacy of commission paid to the societies for public distribution activities and low working capital.

(c) and (d). The National Cooperative Development Corporation (NCDA) carried out a comprehensive review of the working of LAMPS in 1986 and the recommendations have been communicated to the State Governments for appropriate action.

Declaration of Indian Ocean as Whale Sanctuary

8498. SHRIMATI MADHUREE SINGH: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether 20 Scientists of the International Whaling Commission, Seychelles have suggested to declare the entire Indian Ocean as whale sanctuary;

(b) if so, India's reaction thereto; and

(c) the benefits likely to accrue therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI): (a) and (b). At the 31st meeting of the International Whaling Commission held in London in July, 1979, the Commission set up the Indian Ocean Sanctuary, covering about 50 million sq. kms of oceanic area in one block, in which commercial whaling has been prohibited for ten years. India joined this Convention in March, 1981 and in principle supports the creation of such a sanctuary. The Scientific Committee of the Commission met at Seychelles to consider an administrative framework whereby to achieve better co-ordination of International Whaling Commission's activities within the Sanctuary. The recommendations of the Scientific Committee have not yet been received.

(c) By the creation of this sanctuary, the marine mammals in the region get protected. Besides, the following benefits are likely to accrue.

i) Adequate information about the distribution and abundance of cetaceans and related matters relevant to the population, will be available.

ii) Scientific information pertaining to assessing and realising the economic, cultural and scientific values of living cetaceans will be made available.

iii) The ecological roles of cetaceans in marine biological systems will be explored and the research work undertaken will permit assessment of impact of human activities of recovering and unexploited population.

[*Translation*]

Loans advanced by Banks in Lal Ganj Tehsil of Azamgarh District

8499. SHRI RAJ KUMAR RAI: Will the Minister of FINANCE be pleased to state:

(a) the amount of loans advanced by various banks in Lalganj Tehsil of Azamgarh District, U.P. during 1986-87;

(b) the particulars of the loanees and the amount of loan given to them;

(c) the basis on which loans were sought;

(d) whether any enquiry had been conducted to see that the amount of loan was utilised for the purpose for which it had been taken; and

(e) if so, the outcome thereof and if no enquiry was conducted, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (e). Information is being collected and will be laid on the Table of the House to the extent possible.

[*English*]

Misappropriation in State Bank of Indore, Main Branch, Dewas

8500. SHRI RAJ KUMAR RAI: Will the Minister of FINANCE be pleased to state:

(a) whether misappropriation of about 50 lakhs through wrong advance took place in the State Bank of Indore, main branch, Dewas during the year 1984-85;

(b) if so, the details thereof and number of officials/employees found guilty so far;

(c) whether another case in the same Bank's Delhi Branch through wrong payment of Rs. 52000/- from a current deposit account was detected recently;

(d) if so, the action taken against the officers found involved; and

(e) the present position of the both cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (e). State Bank of Indore has reported that no incident of misappropriation of about Rs. 50 lacs through wrong advance at its Dewas Main Branch took place during the year 1984-85. The Bank has, however, reported that on 7.3.87 a fraud took place at its Chandni Chowk Branch, Delhi, through payment of a forged cheque of Rs. 52,000/-. The Bank has further reported that Police complaint was lodged in this case and Police investigation is continuing. The Bank has also reported that since the process of examination of staff accountability aspect in this case is not complete, no action against any official has been taken by it.

Sale of Drugs covered under Narcotics Act

8501. SHRIMATI N.P. JHANSI LAKSHMI:
DR. (MRS.) T. KALPANA DEVI:

Will the Minister of FINANCE be pleased to state:

(a) the names of bulk drugs which fall under the purview of Narcotic Drugs and Psychotropic Substances Act, 1985;

(b) whether there are certain bulk drugs, the sale of which is covered under Narcotic Rules but the medicines containing such drugs are being sold freely;

(c) whether such medicines have been found to be very dangerous if taken in excess; and

(d) the reasons why these medicines are being allowed to be sold without any restriction and the policy of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). The Narcotic Drugs and Psychotropic Substances Act, 1985 envisages coverage of all such narcotic drugs and psychotropic substances and their salts and preparations, which fall within the purview of the relevant international conventions.

The psychotropic substances covered by the Narcotic Drugs and Psychotropic Substances Act are listed in the Schedule to that Act. The narcotic drugs covered by this Act, besides those drugs specified in section 2 thereof, include other drugs notified as 'manufactured drugs' *vide* Notification No.S.O.826 (E) dated 14.11.1985. The following narcotic drugs and psychotropic substances find medicinal use in the country:-

Narcotic drugs	Psychotropic substances
1. Pethidine	1. Dexamphetamine
2. Morphine	2. Methamphetamine
3. Codeine	3. Amphetamine
4. Ethylmorphine (Dionine)	4. Amobarbital
5. Medicinal opium	5. Glutethimide
6. Pholcodine	6. Pentobarbital
7. Dextropropoxyphene	7. Secobarbital

8. Cocaine	8. Methylphenobarbital
9. Hydrocodone	9. Meprobamate
10. Diphenoxylate	10.Chlordiazepoxide
	11.Diazepam
	12.Lorazepam
	13.Nitrazepam
	14.Oxazepam
	15.Flurazepam
	16.Phenobarbital

The sale of medicines is regulated under the Drugs and Cosmetics Rules framed under the Drugs and Cosmetics Act, 1940. These Rules, *inter alia*, provide that medicines containing narcotic drugs or psychotropic substances shall be sold only on a prescription by a Registered Medical Practitioner.

All such medicines, if taken in excess, are dangerous.

Acquiring Immovable Properties by Companies with Non-Resident Interest

8502. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether the Indian Companies with more than 40 per cent Non-resident Interest will be permitted to acquire immovable properties in India which is necessary for or incidental to their earning on approved industrial activities in India; and

(b) If so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) Yes, Sir.

(b) RBI have issued a Notification granting general permission to Indian Companies with more than 40 per cent Non-resident Interest to acquire immovable properties in India which are necessary for or incidental to carrying on by such companies any industrial activity for which the company has obtained a letter of intent/industrial licence/certificate of registration from the Government of India.

National Equity Fund

8503. DR. V. VENKATESH:
SHRI UTTAM RATHOD :
SHRIMATI USHA CHOUDHARY:

Will the Minister of FINANCE be pleased to state:

(a) whether National Equity Fund has been established for helping the small industries; and

(b) if so, the objectives of the fund?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). A proposal to set up National Equity Fund for providing equity support to Small-Scale Industries is under consideration of the Government.

Liaison Officers for Handling Grievances of SC / ST Employees in Banks

8504. DR. V. VENKATESH:
SHRI BANWARI LAL BAIRWA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have given instructions to all the nationalised banks to appoint liaison officers at their head offices and zonal/divisional/regional offices for implementation of reservation policy for Scheduled Castes/Scheduled Tribes and for handling the grievances of SC/ST employees;

(b) if so, the functions of liaison officers and the procedure adopted by these officers handling the grievances of SC/ST employees;

(c) whether some complaints regarding appointment of liaison officers have been received;

(d) if so, the details thereof; and

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

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

(b) to (e). It is the duty of the Liaison Officers in the public sector banks to ensure that provisions regarding reservations for Scheduled Caste/Scheduled Tribes in services/posts and other benefits admissible to them are implemented in their respective banks. The duties and responsibilities of these Liaison Officers are laid down in Chapter 15 of the Brochure on Reservation for Scheduled Castes and Scheduled Tribes in Services (Sixth Edition), and the Liaison Officers in the bank are expected to follow the same. Suggestions regarding the appointment of Liaison Officers in public sector banks only from amongst Scheduled Caste/ Scheduled Tribes officers have been made. It has been felt that the Liaison Officers in the public sector banks, should be preferably Senior Officers at the level of Assistant General Manager or above and since Scheduled Caste/Scheduled Tribe officers at this level are not available in some of the banks, it is not possible to accept this suggestion.

Representations from SC/ST Employees

8505. SHRI BANWARI LAL BAIRWA: Will the Minister of FINANCE be pleased to state;

(a) the number of representations from Scheduled Caste/Scheduled Tribe employees and their associations in nationalised banks received by Banking Division in his Ministry from 1-4-86 to 28-2-87;

(b) whether Banking Division replies to representations sent to it by SC/ST employees or their associations; and

(c) if not, the manner in which the grievances are solved and action taken transmitted to the concerned employees/their associations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) As per the available data about 340 representations had been received in the Banking Division, Ministry of Finance during the period 1-4-86 to 28-2-87 from Scheduled Caste/Scheduled Tribe employees and their associations.

(b) and (c). The Government generally do not enter into correspondence with individual employees of the banks or their associations. However, the representations received from them are forwarded to the concerned banks for appropriate action/ comments and whenever any remedial action is required at the Government level, the same is taken after necessary examination.

Suggestions by M.Ps regarding opening of Bank Branches

8506. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government and the Reserve Bank of India take into account and give adequate weightage to the suggestions made by the Members of Parliament regarding the opening of branches of the nationalised banks and their operations as distinguished from the recommendations of the State Government;

(b) if so, the institutional arrangements in this regard and the extent to which the representatives of the people at the Centre are involved by the nationalised banks, the Reserve Bank of India and the Union Government; and

(c) if not, the reasons therefor and the likely date by which the participation of Members of Parliament is proposed to be institutionalised?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). Under the current Branch Licensing Policy for the period April, 1985 to March, 1990 for opening of branches in the rural and semi-urban areas by commercial banks, the criteria is a population coverage of 17,000 per branch in the semi-urban and rural areas of each block. The Policy also envisages filling up of spatial gaps by having a branch within a distance of 10 Kms. from every village. The responsibility of identifying centres on the basis of above norms has been entrusted to a Group consisting of the representative of the Lead Bank of the district, representatives of two other banks having major presence in the district, a representative of the Regional Rural Bank (RRB) in case of districts having RRBs and a representative of the State Government. The centres identified by the Group are to be approved by the District Consultative Committee and the list of approved centres alongwith block maps indicating all relevant details are to be forwarded to the State Government/ Union Territory Administration. The final list of centres as approved by State Government/Union Territory Administration is required to be forwarded to the Reserve Bank of India (RBI) alongwith block maps for scrutiny of the centres. After scrutiny eligible centres conforming to the norms are allotted by RBI to the various banks.

Government and RBI are of the view that the existing institutional arrangements for allocation of centres are adequate. RBI do not, therefore, propose to have any other institutional arrangements for the present.

In regard to allocation of centres in urban and metropolitan areas individual banks are required to apply directly to RBI for considering issuing of licence which will be on the basis of clearly established need and the business potential of the area. Recommendations of Members of Parliament and other eminent persons in regard to opening of branches are given due consideration by the RBI at the time of the allocation of centres.

Task Force on D.R.I.

8507. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 7127 on 17 May 1985 regarding recommendations of Task Force to study Differential Interest Scheme and state:

(a) whether any decision has been taken on the report of the Task Force on the Differential Rate of Interest;

(b) if so, the exact recommendations made by the Task Force and the decision taken on each one of them; and

(c) the dates on which decisions have been implemented/are likely to be implemented?

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

(b) The major recommendations made by the Task Force on Differential Rate of Interest (DRI) Scheme were as follows:

1. DRI benefit should be restricted to SC/STs beneficiaries. In rural areas only SC/ST under IRDP should be covered and in other areas SC/ST assisted by Development Corporations should be covered.

2. Income criterion should be on par with IRDP.

3. Rate of Interest should be 2% below Bank Rate or the rate of interest on IRDP loans whichever is lower.

4. No change in the maximum loan amount.

(c) Various recommendations of the Task Force were examined by the Government in consultation with the concerned Ministries of the Government of India, RBI and NABARD and the decisions arrived thereto were conveyed to RBI for issuing instructions to the banks. RBI vide its instruction dated 25th September, 1986 advised the commercial banks as follows:

(i) The DRI Scheme in the present form will continue at the rate of interest of 4% per annum. There will also not be any change in the target of 1% for the total lending under the Scheme.

(ii) The benefit of DRI scheme will be available only to borrowers within the prescribed eligibility criteria who are not assisted under any of the subsidy linked schemes of Central/State Government and State owned Corporations.

(iii) The ceiling of family income of the borrower under DRI Scheme is enhanced from Rs. 2,000/- per annum in rural areas and Rs.3,000/- per annum in urban and semi-urban areas to Rs. 6,400/- and Rs. 7,200/- respectively.

Irregularities in providing Loans to farmers in Bihar

8508. SHRI RAM BHAGAT PASWAN: Will the Minister of FINANCE be pleased to state:

(a) whether any irregularities by the banks in providing loans to the farmers in Bihar have come to Govt.'s notice;

(b) the time schedule for granting loan to an applicant;

(c) the number of applications pending in banks in Samastipur and Darbhanga districts; and

(d) the steps taken to clear the pending applications?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Complaints are received by the Government from time to time alleging irregularities in providing loans to farmers and others in Bihar. These complaints are arranged to be looked into on merits for necessary corrective action.

(b) to (d). Banks have been advised that applications under the priority sector upto a credit limit of Rs. 25,000 should be disposed of within a fortnight and those for over Rs. 25,000 within 8 to 9 weeks. Further, for speedy disposal of applications, banks have been advised that all branch managers should be vested with discretionary powers to sanction proposals from weaker sections, which includes small and marginal farmers, without reference to any higher authority and if there are difficulties in extending such discretionary powers to all branch managers, such powers should exist at least at the district level. The present information reporting system of Reserve Bank of India in respect of priority sector advances does not yield districtwise details of pending applications in the manner asked for.

L.I.C. Investment in Union Government Securities

8509. SHRIMATI JAYANTI PATNAIK: Will the Minister of FINANCE be pleased to state:

(a) the total amount invested by Life Insurance Corporation in Union Government Securities in 1986-87;

(b) the amount of term loans advanced by LIC to different companies in public and private sector during that year; and

(c) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) LIC has invested an amount of Rs.606.89 Crores during 1986-87 in the Union Government Securities.

(b) and (c). During 1986-87 LIC has advanced a total amount of Rs. 110.45 Crores as Term Loans to different companies. Details are as under:-

Public Sector	:	Rs.	8.79	Crores
Private Sector	:	Rs.	92.26	Crores
Co-operative Sectors	:	Rs.	9.40	Crores
Total		Rs.	110.45	Crores

LIC Loans for Group Housing

8510. SHRIMATI JAYANTI PATNAIK: Will the Minister of FINANCE be pleased to state:

(a) whether Life Insurance Corporation has been giving loans for group housing;

(b) if so, the amount of loans sanctioned by LIC for group housing in different cities/towns in the country in the last three years; and

(c) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The LIC has been contributing for Group Housing Schemes through the Apex Co-operative Housing Societies registered in different States and Union Territories. Details of the loans sanctioned to different Apex Societies during the last 3 years are given in the statement given below. Further allocations to member primary co-operative housing societies in cities/towns, etc., is regulated by the Apex Society.

Statement

(Rupees In Crores)

S. No.	State/U.T.	1984-85	1985-86	1986-87
1.	Gujarat	13.00	13.00	15.00
2.	Maharashtra	11.00	13.00	15.00
3.	Tamil Nadu	11.00	13.00	14.00
4.	Andhra Pradesh	8.00	9.00	9.00
5.	Bihar	9.00	7.00	7.00
6.	Delhi	6.60	5.00	7.00
7.	Haryana	5.00	7.00	7.00
8.	Karnataka	3.00	-	4.00
9.	Kerala	10.00	10.00	10.00
10.	Madhya Pradesh	6.00	6.00	6.00
11.	Punjab	5.00	7.00	7.00
12.	Rajasthan	2.00	1.00	1.50
13.	U.P.	4.00	4.00	4.00
14.	West Bengal	3.00	4.00	3.00
15.	Assam	1.00	1.00	-
16.	Goa, Daman & Diu	0.25	0.50	-
17.	J & K	1.50	2.00	1.00
18.	Manipur	0.25	0.50	0.50
19.	Meghalaya	-	-	-
20.	Orissa	1.50	2.30	2.50

Performance of Central Electronics Limited

8511. SHRIMATI JAYANTI PATNAIK: Will the PRIME MINISTER be pleased to state:

(a) the steps taken to improve the performance of the Central Electronics Limited ;

(b) the performance of Central Electronics Limited with regard to its production and sales in 1985-86 and 1986-87; and

(c) the details of profit earned by Central Electronics Limited in those years?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) to (c) 1. By the end of 1984, Central Electronics Limited (CEL) had found itself in a position in which:

a) Production & Sales activities were increasing very sluggishly.

b) Sustenance was by R&D grants of around Rs.3 crores per year.

c) In each year, there were sizeable losses, accumulating to a total of Rs.403 lakhs.

d) The product range was large and the market image indifferent.

e) Employee morale was low both due to lack of growth and a salary/wage structure unattractive when compared to other industries nearby.

2. The steps taken during 1985-86 and 1986-87 to improve the performance of the Company consisted of :

i) Improved management techniques such as appropriate organisation, institution of planning and review mechanisms and securing the involvement of all personnel in the running of the Company through better communication.

ii) Improvement of existing processes/products and induction of new products through in-house R&D; induction of technology from various indigenous laboratories and from leading Companies outside India to cater to newly emerging market demands.

iii) Upgradation of existing plants and work methods to get better utilisation/productivity and;

iv) Systematic Human Resource Development.

3. The performance of CEL during the years 1985-86 and 1986-87 as compared to the performance in 1984-85, is given in the table below:

CEL - PERFORMANCE COMPARISON 1984-85 TO 1986-87

(Rs. in lakhs)

PARAMETER	1984-85 ACTUALS	1985-86 ACTUALS	ANNUAL% INCREASE	1986-87 ACTUALS (Prov.)	ANNUAL% INCREASE
Sales	275	561	104	1264	125
Production	315	895	184	1414	58
Profit (+)					
Loss (-)	-39	+17	-	+18	-
Employees	757	806	6	843	5
Per Capita Production	0.42	1.11	164	1.68	51

It can be seen that there has been a steep increase in the tempo of activities, resulting in the Company making a profit in 1985-86, *for the first time in its history*. Production and Sales have vastly *improved by a factor of four to five* during the last two years. This has been achieved with a bare 11% increase in manpower.

It may be noted that CEL is the only Company in the field of Electronics which has achieved such steep growths in *physical* terms, along with profitability, with all product lines based on indigenous technology.

CEL has achieved higher international status in Solar Photovoltaics, being rated by independent agencies as the *third largest* supplier of crystalline photovoltaics in the world. It has a leading position in India as a producer of Professional Ferrites and Piezo Ceramics. It has emerged as the pioneer in Projection T.V. and a dependable supplier of Railway Electronics.

Thus, CEL has broken out of a cocoon of stagnancy in production and sales, as well as losses substained each year. Over the years 1985 and 1986, a great deal of managerial effort for change and substained work by all have been put in, which have transformed the Company into a high growth, profit making unit.

Development of Vikram Sarabhai Space Centre

8512. SHRI T. BASHEER: Will the PRIME MINISTER be pleased to state:

(a) the new projects or units undertaken for the development of the Vikram Sarabhai Space Centre (VSSC) in Kerala; and

(b) if no unit has been added, the future programme of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) Vikram Sarabhai Space Centre is the lead Centre of ISRO for the Launch Vehicle development. It is also responsible for developing sounding rockets and certain technologies for spacecraft.

Apart from the ongoing Augmented Satellite Launch Vehicle (ASLV) and the Polar Satellite Launch Vehicel (PSLV) projects, one major launch vehicle project of ISRO, for which studies are under way, will be the development of a Geo-synchronous Launch Vehicle (GSLV) with a cryogenic upper stage to facilitate indigenous launching of the second generation INSAT class of satellites.

(b) At present there is no proposal to create new units under the Vikram Sarabhai Space Centre. However, the process of organisational restructuring that may be needed from time to time, the establishment of appropriate project teams and consolidation of R & D activities, to meet functional and programme requirements, will continue.

Central Sales Tax on Marble

8514. SHRI SHANTI DHARIWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Central Sales Tax is leviable on marble; and

(b) whether the marble purchased for construction of religious places is exempted from payment of Central Sales tax?

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

(b) Under section 8(5) of the Central Sales Tax Act, 1956, State Governments have powers to grant exemption from levy of Central sales tax. Central Government have no power in this regard.

GIC Policies for Insurance Against Riots, Strike and Malacious Damage

8515. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the number of policies covering riots, strike and malacious damage risks in various class of business issued by the General Insurance Corporation during 1986 and the number of such policies as on 31 December, 1986, with the number of business establishments covered thereunder;

(b) the amount of premia on such policies collected during 1986; and

(c) the amount of payments on such policies made during 1986?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). With effect from Ist June, 1985, the riot, strike and malicious damage risk (RSMD) was made, a part of the basic policy for (i) Simple fire insurance risks like residential premises, office premises, religious places, etc. (ii) in regard to fire insurance pertaining to small scale industries where the sum insured does not exceed Rs. 10 lakhs, and (iii) the basic cover for motor insurance policies. In regard to these risks no separate policies are issued for RSMD risks only. In regard to other risks for industries and warehouses, etc., the RSMD risk is available as an extension. In view of this, it is difficult to allocate the premium charged and compensation paid as between RSMD risk and other covers. The number of policy documents issued by the four subsidiaries of GIC during 1986 was to the tune of 1.49 crores and the number of claims settled was around 11.50 lakhs. Each and every policy document will require scrutiny to cull out specific information relating to premium received and/or compensation paid in regard to RSMD risks. Compilation of such information would involve labour incommensurate with the result.

Think Tanks for Electronics

8516. SHRI RADHAKANTA DIGAL: Will the PRIME MINISTER be pleased to state:

(a) whether Government have set up some "Think Tank" for electronics; and

(b) if so, the number of such think tanks and the purpose of setting them up?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE(SHRI K.R. NARAYANAN): (a) Government has not set up any "Think Tank" for electronics as such but it has constituted several committees.

(b) These are:-

i) **Development Council for Electronics Industry:** It was set up in July 1984 to look into R&D, production, marketing and related matters in the electronics industry.

ii) **Standing Committee (Advisory Board) on Electronics:** The Committee was set up in February 1987 to provide feed back on programme implementation of the Department; discuss and critically examine new policy initiatives and indentify voluntary agency support for official programmes.

iii) **Technology Development Council:** It was set up in October 1973 to assist the Department of Electronics in identifying areas for R&D efforts, evaluating and monitoring individual R&D projects and transfer of know-how and related R&D matters in the electronics industry.

iv) **National Radar Council:** To evolve and implement technology development projects in the areas of

Radar, Sonars, Navaids, IR and Laser Based Systems.

v) **National Micro electronics Council:** It was set up in January 1985 to oversee, coordinate and implement the national programme of R&D, technology development and manufacture in the area of micro-electronics.

vi) **Council for Development of Materials for Electronics:** It has been set up to review the requirements of materials and ensure that atleast the critical materials are made available to the electronics industry as and when required.

World Bank Suggestions Regarding Industrial Regulatory Policy

8517. SHRI S.M. GURADDI:
SHRI H.N. NANJE GOWDA:
SHRIMATI BASAVARAJESWARI:
Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has come out with a programme of reforms envisaging sweeping changes in India's industrial regulatory policy;

(b) if so, whether Union Government have examined the World Bank's suggestions; and

(c) if so, the reaction thereto?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) to (c). A draft report on India's Industrial Regulatory Policy has been prepared by the Staff of the World Bank as part of their sectoral studies. It is an internal document of the World Bank. Its distribution is restricted and recipients of the report are not authorised to disclose its contents. Any decisions on concerned matters would strictly be according to India's own priorities and policies as laid down in the Seventh Five Year Plan.

Cells for Monitoring 20 Point Economic Programmes

8518. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR: Will the Minister of PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether Government have set-up or proposed to set-up monitoring cells for proper implementation of 20 Point Economic Programme;

(b) if so, whether such cells have been set up at the Centre and also at the State levels; and

(c) if not, the reasons therefor?

THE MINISTER FOR PROGRAMME IMPLEMENTATION (SHRI A.B.A. GHANI KHAN CHOUDHURY): (a) Yes, Sir.

(b) Yes, Sir.

(c) Does not arise.

Financial Assistance to Maharashtra

8519. SHRI PRATAPRAO B. BHOSALE: Will the Minister of WELFARE be pleased to state:

(a) whether some proposals for assistance from Maharashtra under Article 275 (1) have been received by Union Government, if so, the details thereof;

(b) whether the request of State Government has been acceded to; if not, the reasons therefor;

(c) whether two proposals for giving financial assistance to tribal entrepreneurs for various trades and replacement of thatched roofs of huts by tiles have been received from Maharashtra; if so, the amount involved in each proposal;

(d) whether decision has been taken on these proposals if so, the details thereof; and

(e) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) and (b). Proposals in respect of 8 schemes given in the Statement given below were received from the State Government for grant-in-aid under Article 275(1) First Proviso of the Constitution during the year 1986-87. One scheme, namely, Monopoly procurement of dry grass was approved. Clarification and further information has been sought in respect of three schemes while the remaining four schemes have not been approved.

(c) to (e). Proposal for giving financial assistance to tribal entrepreneurs for various traders was not agreed to on account of the following reasons:-

i) The scheme benefits only a small scetion of tribals at a huge cost.

ii) The scheme has an inherent danger of being misused by non-tribals in the name of tribals.

iii) The scheme has components which can as well be financed under IRD Programme and thereby release resources under Article 275(1) First Proviso for other deserving schemes.

The scheme for replacement of thatched roofs of huts by tiles was also not agreed to because it was felt that funds under Article 275(1) First Proviso would limit the benefit to very few families. The State Govt. was, therefore, advised to approach the Deptt. of Rural Development for assistance under their Housing scheme for SCs/STs. The amount involved in the two proposals referred to above was Rs.50 lakhs and Rs. 20 lakhs respectively.

Statement

S.NO.	Scheme Proposed for the Year 1986-87	Amount (Rs. in lakhs)
1.	Scheme of giving financial assistance to tribal candidates for various trades	50.00
2.	Construction of bio-gas plants near Ashram schools	15.00
3.	Replacement of thatched roofs of huts of tribals by tiles.	20.00
4.	Monopoly procurement of dry grass in Jawhar, Mokhada and Dahanu talukas in Thane district.	118.32
5.	Scheme for preventive measures to control diseases like Scabies, Diarrhoea, etc.	23.70
6.	Construction of Dharmashalas near rural hospitals.	39.00
7.	Provision of furniture and other equipment to the old Primary Health Centres and Sub-Centres.	39.15
8.	Opening First-Aid-Centres in Ashram Shala and providing training to Ashram Shala teachers in Primary Health Care.	3.00
	Total	308.17

Conservation of Forests in North-Eastern States

8520. SHRI SANAT KUMAR MANDAL: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether 'Jhum' cultivation on commercial scale in the forests of North-Eastern States will result in extinction of unique flora and fauna;

(b) if so, whether Government have drawn up any action plan for ecological conservation of this region, and

(c) the broad outline thereof?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT & FORESTS (SHRI Z.R. ANSARI): (a) Yes Sir, Jhum cultivation if continued on commercial scale, is likely to result in the extinction of certain varieties of flora and fauna.

(b) and (c). A programme for control of Jhum cultivation has been introduced in the North-Eastern States since the Fifth Five Year Plan period.

Popularisation of Sports among Handicapped Persons

8521. SHRI JAGANNATH PATTNAIK: Will the Minister of WELFARE be pleased to state:

(a) the steps proposed for promoting sports among physically handicapped persons;

(b) whether jobs have been reserved for physically handicapped sportsmen in Government departments; and

(c) if not, the steps proposed to provide jobs to such persons in public undertakings?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) The Ministry of Welfare is providing different types of grants and facilities for the welfare of the handicapped. This includes promotion of extra-curricular activities including sports for such persons.

In addition the Ministry of Human Resources Development, Department of Youth Affairs and Sports, provide financial assistance under its scheme of assistance to recognised National Sports Federations including those belonging to the physically handicapped.

(b) and (c). 3% of Group 'C' & 'D' jobs in Government Departments and Public Undertakings have been reserved for Physically handicapped persons which includes physically handicapped sportsmen. There is no separate reservation for handicapped sportsmen.

Peace Park at Indo-China Border

8522. SHRI K. PRADHANI: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether the International Union for Conservation of Nature and Natural Resources has suggested setting up of an international peace park on the India-China border in the Spiti region of Himachal Pradesh; and

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

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z.R. ANSARI): (a) Yes, Sir.

(b) The suggestion has not been found feasible.

Employees of Bank of Baroda Sent for Training Abroad

8523. SHRI SIMON TIGGA: Will the Minister of FINANCE be pleased to state;

(a) whether it is a fact that the Bank of Baroda is sending 150 to 200 employees for training abroad every year;

(b) the number of employees belonging to Scheduled Caste/Scheduled Tribe category sent for training abroad during the last three years;

(c) whether the number of employees of SC/ST category sent for training abroad is adequate as compared to total number of employees sent abroad;

(d) if not, the reasons therefor; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). Bank of Baroda has reported that only 5 of its officers have been departed for training abroad during the last 3 years and none of them belonged to Scheduled Caste/Scheduled Tribes communities.

(e) The bank is expected to follow the guidelines contained in para 17.17 of the Brochure on Reservations for Scheduled Caste/Scheduled Tribes in Services (6th Edition) while selecting its officers for posting abroad.

Recovery of Bank money from Officials involved in cheating

8524. SHRI RAHIM KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the nationalised banks are able to recover the money lost in banking transactions pushed through the collusion of bank officials;

(b) if not, the reasons thereof; and

(c) whether any legal lacuna is handicap in making such recoveries from movable/immovable properties of the bank officials, if so, the steps contemplated to amend the law?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). Reserve Bank of India has reported that under Regulation 4 of the Officer Employees (Discipline & Appeal) Regulations of Nationalised Banks, different types of penalties may be imposed on an Officer Employee for acts of misconduct or for any other good and sufficient reasons including recovery from pay or such other amount as may be due to him of the whole or part of any pecuniary loss caused to the Bank by negligence or breach of orders. The RBI has further reported that if frauds have been committed by the employees suits are filed against them for the purpose of recovery and final action is taken as per the direction of the court. Government is also seized of the Central Vigilance Commission's suggestion that necessary legislative measures may be brought forward for attaching the property of Bank employees involved in frauds in case the provisions of the Criminal law (Amendment) Ordinance 1944 are inadequate for the purpose.

Rehabilitation of M/s Kabini Papers Ltd.

8525. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether M/s. Hindustan Lever Limited worked out a plan for the rehabilitation of M/s. Kabini Papers Ltd. (KPL) Nanjangud (Karnataka) in November, 1983;

(b) if so, whether the banks advanced any loans on that basis for which refinance was approved by the Industrial Development Bank of India and matching concessions extended by the Reserve Bank of India;

(c) if so, whether Hindustan Lever Limited took over a sick fine chemicals unit at Mangalore in January, 1986;

(d) whether the Hindustan Lever Limited is now attempting to withdraw from the rehabilitation plan of KPL; and

(e) the steps taken to help the rehabilitation of this company in the backward region of Karnataka in the interest of its employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The Industrial Development Bank of India (IDBI) has reported that a consortium of banks had prepared a rehabilitation scheme in association with Karnataka State Financial Corporation (KSFC) and State Government of Karnataka for M/s. Kabini Papers Ltd. (KPL) in November, 1983 which inter alia involved a conversion agreemnt between KPL and Hindustan Levers Ltd. (HLL) for supply of kraft paper and under which the HLL was also to provide management support to the KPL. Various banks had granted term loans to KPL which were refinanced by the IDBI. Reserve Bank of India has reported that they had approved certain concessions for this unit as proposed by the banks. It has been reported that HLL has since expressed its inability to renew the conversion agreement beyond 31st December, 1986 on commercial considerations.

Impact of Integrated Rural Energy Programme

8526. SHRIMATI MANORAMA SINGH: Will the Minister of PLANNING be pleased to state:

(a) the impact of integrated rural energy programme on rural electrification, pumpset energisation and bio-gas plants in various states, State-wise; and

(b) the steps proposed to be taken for augmentation of the programme?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM) : (a) and (b). The IREP Programme is a new planning programme set up with the objective of integrating and coordinating different energy supply schemes through the preparation of area-based integrated rural energy plans. The programme was taken up on pilot basis in 20 blocks in 8 selected States/UTs in the Sixth Plan Period. From the Seventh Plan only the programme is being extended to all the States/UTs. In 1985-86, the programme was set up in 13 States/UTs. In 1986-87 a Centrally Sponsored Scheme has been added through which IREP Cells are created at the States and in selected districts/blocks for which 100 per cent central grant is provided for staff and their training is organised through training programmes in various major institutions. The programme is now in operation in 21 States and 5 UTs and 88 blocks in these States/UTs have been covered. During 1987-88, the programme would be extended to all States/UTs and 126 blocks are proposed to be covered. The impact of this programme would be assessed after it has been in operation as a regular scheme for a few more years and the IREP Cells are set up and their staff have been trained under the new IREP Centrally Sponsored Scheme. The number of blocks are proposed to be progressively increased during the Seventh Plan and subsequently the programme would be extended in a phased manner in other blocks depending upon the progress and performance of the programme.

[*Translation*]

Loans Advanced by Commercial Banks to Entrepreneurs

8527. SHRI SHANTI DHARIWAL: Will the Minister of FINANCE be pleased to state:

(a) whether commercial banks have extended benefits to entrepreneurs by advancing loans to them under various schemes;

(b) if so, the amount of loans granted by branches of State Bank of India in Ratlam, Madhya Pradesh during the last three years;

(c) whether it has been brought to the notice of Government that some officers of these branches have locked the premises of some of the entrepreneurs who were granted loans;

(d) if so, whether Government have issued guidelines to the banks according to which a bank can lock the premises of an entrepreneur any time without giving any prior notice to him;

(e) if so, the details of these guidelines; and

(f) if not, the action proposed to be taken against the guilty officers resoponsible for locking the premises of any entrepreneur in an irregular way?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes Sir.

(b) The advances sanctioned by State Bank of India (SBI) branches in Ratlam during the last three years i.e. 1984,1985 and 1986 are as under:

(Rs. in Lakhs)

segment	Year	No. of accounts	Limits sanctioned
C&I	1984	2	0.80
	1985	7	0.40
	1986	-	-
SSI	1984	88	77.34
	1985	47	29.91
	1986	26	27.56
SBF	1984	161	46.91
	1985	84	13.39
	1986	83	27.73
AGR	1984	330	29.83
	1985	343	26.30
	1986	214	19.74

(c) The Bank has reported that they have not taken any action against any entrepreneurs in an irregular way. Allegations relating to locking up of premises related to some individual cases which are sub-judice.

(d) to (f). The Government/RBI have not issued any specific guideline to the banks in this regard. Mode of enforcement of the banks rights vis-a-vis the security charged to them, generally depends on the terms of the agreement between the borrowers and the concerned banks. The banks, wherever necessary, resort to legal process for the enforcement of security.

[*English*]

Creation of Indian Service of Engineers and Reconstitution of Indian Medical and Health Service

8528. PROF NARAIN CHAND PARASHAR: Will the PRIME MINISTER be pleased to refer to the reply given to Unstarred Question No. 1464 on 1 August, 1984 regarding creation of All India Services in the field of Engineering and Medicine and state:

(a) whether Government have taken any further steps for the creation of Indian Service of Engineers and the reconstitution of Indian Medical and Health Services;

(b) if so, the exact position in this regard and the dates from which the two services have been created and reconstituted respectively;

(c) if not, the reasons therefor and the likely date by which it would be done; and

(d) whether it is also proposed to constitute Indian Education Service and the likely date by which it would be done?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) to (d). A decision regarding constitution of any new All India Service can be taken only after consultations with the State Governments. As there is no consensus amongst the State Governments, no decision has been taken to constitute the Indian Service of Engineers or to reconstitute the Indian Medical and Health Service. There is also no proposal under consideration to constitute an Indian Education Service.

Meeting of Chief Executives of Banks

8529. SHRI H.N. NANJE GOWDA:
SHRI S.M. GURADDI:
Will the Minister of FINANCE be pleased to state:

(a) whether chief executives of the banks had a meeting on 31st March, 1987;

(b) if so, the main demands placed by the chief executives before the Governor of the Reserve Bank of India;

(c) whether a number of suggestions have been made for larger access to their own resources; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). Governor, Reserve Bank of India had called a meeting of the Chief Executives of major scheduled commercial banks on March 31, 1987 in connection with the credit policy for the first half of the year, the opportunity was also taken to set out Reserve Bank's decisions on some of the recommendations of the Working Group on the Money Market.

Subsequent to the discussions with the bankers, Governor, RBI addressed a detailed letter to all scheduled commercial banks. Since some of the measures would call for larger adjustment by some banks, it was indicated to banks, that in such cases, requests for additional discretionary refinance for very short periods would be considered by RBI on merits. A new refinance facility has also been introduced under which scheduled commercial banks can obtain refinance against collateral of their holding of 182 days Treasury Bills. Access to the discretionary refinance facility without prior sanction has also been continued.

Funds for Poverty Alleviation Programme to Bihar

8530. SHRIMATI MADHUREE SINGH: Will the Minister of PLANNING be pleased to state the allocations to be made to Bihar for antipoverty programmes for the remaining period of Seventh Plan?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): Allocations for anti-poverty programmes are based on year-to-year basis. Hence, it is not possible at this stage to indicate as to how much would be allocated for the remaining period of the Seventh Plan.

Protein Chewy Candy

8531. SHRI NARSING SURYAVANSHI: Will the PRIME MINISTER be pleased to state:

(a) whether Government are aware that the protein chewy candy (anout 12-16 per cent protein is a result of an attempt at developing a highly acceptable and nutritional balanced product by the Central Food Technological Research Institute of India; and

(b) if so, the efforts being made by the Government for its wider coverage at various levels of balanced foods?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN): (a) Yes, Sir. The protein chewy candy containing 12-16 percent protein using vegetable protein akin to natural flavour has been developed at Central Food Technological Research Institute, Mysore.

Development of this know how has been given wide publicity through advertisements in various national newspapers resulting into a number of parties showing keen interest in acquiring this technology. Of the three parties so far licensed to commercialise this process, on party has successfully gone into production and is selling the product in the market to the satisfaction of the consumers. However further efforts are being made to give wider publicity on availability of this process.

Investment of Public Money in Bombay Dyeing's Joint Ventures

8532. SHRI BHATTAM SRIRAMA-MURTY: Will the Minister of FINANCE be pleased to state:

(a) whether the viability of Bombay Dyeing's Joint Venture in Indonesia was assessed by the public finance Institutions before extending financial assistance;

(b) whether responsibility has been fixed for authorising investment of public money in a poorly planned project; and

(c) if so, against whom?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The Industrial Development Bank of India (IDBI) has reported that the All India Financial Institutions have not financed M/s P.T. Five Star Industires Ltd., Bandung, Indonesia. However, Indian Overseas Bank, which was the lead Bank for the consortium of banks which had granted certain facilities to M/s P.T. Five Star Industries Ltd., Indonesia, a Joint Venture of M/s Bombay Dyeing and Manufacturing Company Ltd., has reported that before extending the financial assistance to the Company, the viability of the company was assessed by the consortium of banks.

Study on Yen costs to India

8533. SHRI YASHWANTRAO GADAKH PATIL:
SHRI NARAYAN CHOUBEY:
Will the Minister of FINANCE be pleased to state:

(a) whether a study of the higher yen costs to India arising out of appreciation of the value of yen in respect of Indo-Japanese collaborations has been made by the India-Japan Business Collaboration Committee; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) and (b). Government's attention has been drawn to the news item in the press in regard to the views expressed at the meeting of the Indo-Japan Business Committee held in New Delhi under the auspices of the Federation of Indian Chambers of Commerce and Industry in December 1986. A number of suggestions were made in the meeting to offset the burden on Indian industry by the appreciation of the Yen. These would have to be implemented by the Indian and Japanese collaborators and business partners.

Monthly Index of Industrial Production

8534. SHRI INDRAJIT GUPTA: Will the Minister of PLANNING be pleased to state:

(a) whether it is a fact that the data on monthly Index of Industrial Production have not been made available after October, 1986, either for the 1970 series or for the 1980-81 series till the first week of April, 1987;

(b) if so, the reasons thereof; and

(c) the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) to (c). The base year of the Index of Industrial Production (IIP) has been advanced from 1970 to 1980-81 and the revised series figures (1980-81 base) for the months April 1981 to October 1986 were released on 20 February 1987. The Quick IIP for November 1986 and December 1986 were announced on 22 April, 1987. The delay in the compilation of the Quick IIP for November 1986 and December 1986 is mainly on account of changeover from manual to computerisation of production statistics in the major source agency providing the monthly production data for IIP. Efforts are under way in the major source agency for stabilising the process of regular supply of monthly production data.

Promotion of SC/ST Officers in Bank of Baroda

8535. SHRI SIMON TIGGA: Will the Minister of FINANCE to state:

(a) whether Governemnt have directed the Bank of Baroda to promote 91 Scheduled Caste/Scheduled Tribe officers with retrospective effect with all the consequential benefits as per Supreme Court decision; and

(b) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) No, Sir.

(b) Bank of Baroda has reported that in the Writ Petition No. 352 of 1986 the Supreme Court of India had directed the bank to promote 15 officers belonging to Scheduled Caste/Scheduled Tribe from Junior Management Grade Scale-I to Middle Management Grade Scale-II with effect from 1st November, 1985, and that they have since been promoted.

Agriculturral Development

8536. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether some projects have been specified during 1987-88 for which assistance from International Fund for Agricultural Development is to be sought; and

(b) if so, the details thereof and the assistance proposed to be sought projectwise?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) and (b). A Project Identification mission from the International Fund for Agricultural Development is currently in India to identify projects for assistance.

Augmentation of Water Supply in Maharashtra

8537. SHRI BANWARI LAL PUROHIT: Will the Minister of PLANNING be pleased to state:

(a) whether the Members of Planning Commission paid a visit to Maharashtra some time back to discuss the schemes for augmentation of the water supply in the State; and

(b) if so, the result of the visit?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) and (b). Yes, Sir. In order to make use of Science & Technology inputs for augmentation of water supply, particularly drinking water, a meeting of a group of experts, from concerned Central and State scientific Agencies/Departments was organised in Bombay, at the instance of Member (incharge of Science & Technology) of the Planning Commission, on the basis of a request from the Chief Minister of Maharashtra. A short-term time bound Plan was formulated based primarily on remote sensing and geophysical techniques involving 11 districts where the problem was most acute. In implementation, 80% of the sites drilled showed potential for availability of water. The State Government is pursuing the matter further and technical assistance as required will be provided. A long term Plan is under preparation. Expert Group has been constituted for this purpose. These efforts have resulted in closer linkages between concerned Central and State level agencies. Since problems of poor rainfall and drought are likely to be a recurrring phenomenon, it is important to minimise distress and damage due to this; the long term Plans directed towards this.

Recommendations of Reserve Bank of India Committee

8538. SHRI C. MADHAV REDDI: Will the Minister of FINANCE be pleased to refer to the reply given to Starred Question No. 7 on 24 February, 1987 regarding report of committee to study sick industrial units and state the recommendation of the Reserve Bank of India Committee and action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): The RBI have issued guidelines to commercial banks in February, 1987 on the subject of rehabilitation of sick smalll scale industrial units. RBI have exphasised that in case of rehabilitation of SSI units, emphasis has to be on providing adequate and intensive relief measures. RBI have also given a separate difinition of a sick SSI unit and viability of such units. RBI have also laid down various parameters for grant of reliefs and concessions to SSI units, which include waiver of penal rates of interest, reduction in rates of interest on term loans, funding of cash losses during the initial stages of rehabilitation, provision of need based working capital, contingency loan assistance, etc.

Fake CBI Identity Cards

8539. SHRI KAMAL NATH: Will the PRIME MINISTER be pleased to state:

(a) whether recently some crimes are reported to have been committed in States by criminals using fake CBI identity cards;

(b) if so, whether CBI has made investigation as to how this could be possible; and

(c) the corrective steps taken or being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHINDAMBARAM): (a) A case of impersonation as a CBI officer by using fake CBI Identity Card in Bombay has come to notice.

(b) The case is being investigated by the Local Police with the assistance of CBI.

(c) Officers of CBI have been instructed to be on the lookout for such imposters.

Tribal Population in Bihar

8540. SHRIMATI MADHUREE SINGH: Will the Minister of WELFARE be pleased to state:

(a) names of principal tribes living in Bihar and their population;

(b) the total population of various tribes in Bihar;

(c) the growth rate of tribes during the last three years in Bihar; and

(d) whether Government of Bihar had forwarded to Union Government a comprehensive development plan for the tribes of Bihar and if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF WELFARE (SHRI GIRIDHAR GOMANGO): (a) Names of the principal tribes living in Bihar and their population are given in the Statement-I given below.

(b) The total tribal population in Bihar, according to 1981 census, is about 58.11 lakhs.

(c) Growth rate of tribes during the last three years in Bihar is not availabale. However, the decennial growth rate of tribes in Bihar during the period 1971 and 1981 is 17. 8%.

(d) Details are given in the Statement II given below.

Statement - I

Names of the principal tribes in Bihar and their population, as per 1971 @ census.

S.No.	Name of the tribe	Population
1.	Santal	1,801,304
2.	Oraon	876,218
3.	Munda	723,166
4.	Ho	505,172

Note: @ Tribewise population, according to 1981 census, is not available.

Statement - II

Tribal Sub-plan approach aimed at comprehensive development of tribals is in operation since 1974-75 in 19 States/Union Territories including Bihar. Under this approach, the State Government formulates Annual Tribal Sub-plan for the State which is approved by the Government of India. Quantification of funds under tribal sub-plan and the number of families assisted during Six Plan and the first two years of the Seventh Plan as follows:-

	Quantification of funds (Rs. in crores)	No. of families assisted
VIth PLAN	639.33	3,99,475
VIIth PLAN		
(i) 1985-86	236.33	1,22,753
(ii) 1986-87	280.16	1,09,994
		(upto February, 1987)

Reimbursement of Tuition fees to Central Government Employees

8541. DR. VIJAYA RAMA RAO: Will the PRIME MINISTER be pleased to state:

(a) whether the existing rules for the reimbursement of tuition fee to the Central Government employees envisage reimbursement to the employees for children studying in Class XII under 10 plus 2 system;

(b) whether such reimbursement of tuition fee is not admissible to employees for children studying in corresponding classes under the Intermediate system; and

(c) if so, the reasons for this differentiation and the remedial steps proposed to be taken?

THE DEPUTY MINISTER IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI BIREN SINGH ENGTI): (a) to (c). Central Civil Services (Educational Assistance) Orders, 1983 covers not only the tuition fee in respect of children of eligible employees studying in class 12th under the 10 + 2 system but also of pre-University and 1st year class of an Intermediate College, Technical College or 1st year class of Polytechnic.

12.00 hrs.

[English]

SHRI SHANTRAM NAIK (Panaji): I am expressing the wish of the people of Goa, Daman and Diu to have a full-fledged statehood immediately in this very Session. This is the wish of the people of Goa...

MR. SPEAKER : All right, all right. Do you want to say something?

THE PRIME MINISTER (SHRI RAJIV GANDHI): We will look into the suggestion very seriously and try to do it in this Session.

[Translation]

SHRI NARAYAN CHOUBEY (Midnapore): It appears that they have consulted each other beforehand...*(Interruptions)*.

MR. SPEAKER: Shri Choubey, such suggestions should be welcomed.

[English]

SHRI SAIFUDDIN CHOWDHARY (Katura): I am very sorry to stand up to-day. But your action has prompted me to stand up and say something.

MR. SPEAKER: What is that ?

SHRI SAIFUDDIN CHOWDHARY: I gave notice under Rule 377 about the disclosure of accounts in Swiss Banks.

[Translation]

MR. SPEAKER: Who has stopped it?

[English]

SHRI SAIFUDDIN CHOWDHARY: They have said you have disallowed it

(Interruptions)

MR. SPEAKER: No, no not, here. You come to me.

SHRI SAIFUDDIN CHOWDHARY: The Government should take it up with the Swiss Government and initiate criminal proceedings against persons about whom they want information.

MR. SPEAKER: Do not raise it here.

(Interruptions)

MR. SPEAKER: You come to me. I will listen to you.

SHRI SAIFUDDIN CHOWDHARY: Will you allow it ?

MR. SPEAKER: Do not worry. You come to me. Do not worry. We will see to it. No problem. Let me see it.

SHRI SAIFUDDIN CHOWDHARY: They have said that you have disallowed it.

MR. SPEAKER: I will see. If there is anything, I will reconsider it.

SHRI SAIFUDDIN CHOWDHARY: It should be re-considered.

MR.SPEAKER: If it worth while doing it, we will do it.

(*Interruptions*)

MR. SPEAKER: What should be done is it should not be allegatory it should not be incriminatory.

SHRI SAIFUDDIN CHOWDHARY: Nothing allegatory.

MR. SPEAKER: Then we will see.

DR. DATTA SAMANT: (Bombay South Central): The Chief Minister of Maharashtra.

MR. SPEAKER: No mention of Chief Minister here.

(*Interruptions*)

DR. DATTA SAMANT: I have given Calling Attention, Adjournment Motion, Short Notice Question.

MR. SPEAKER: We cannot do it. That is not our job.

[*Translation*]

SHRI V. TULSIRAM(Nagarkurnool): Mr. Speaker, Sir, it has been reported in the newspapers today that smack is being sold on a large scale in the military area in Lal Quila............(*Interruptions*)

MR. SPEAKER: You give it in writing. I will look into it.

SHRI V. TULSIRAM: I have given a notice about it. The selling of such a poisonous thing in a military area is very bad.

(*Interruptions*)

MR. SPEAKER: We will look into it. You saw how things went away yesterday.

(*Interruptions*)

[*English*]

SHRI SYED SHAHABUDDIN (Kishanganj): The tragedy in Srilanka deserves our attention.

(*Interruptions*)

[*Translation*]

MR. SPEAKER: We are looking into it. It was also stated yesterday.

[*English*]

We shall see how we can do it.

(*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY: I have given a Motion to review our relations with USA.

(*Interruptions*)

MR. SPEAKER: I know. They are taking it up.

AN HON. MEMBER: You are in a good mood to-day.

MR. SPEAKER: You are in a good mood. It is an infectious disease. That is all.

12.03 hrs.

PAPERS LAID ON THE TABLE

[*English*]

Twenty-fourth Report of the Deputy Commissioner for Linguistic Minorities in India, Comments of Govt. onCommission of Enquiry recommendations etc.

THE MINISTER OF STATE IN THE MINISTRY OF WELFARE (DR. RAJENDRA KUMARI BAJPAI): I beg to lay on the Table--

(1) A copy of the Twenty-Fourth Report (Hindi and English versions) of the Deputy Commissioner for Linguistic Minorities in India for the period from July, 1983 to June, 1984.

(2) A statement (Hindi and English versions) showing the comments of the Government on the recommendations of the 24th Report of the Deputy Commissioner for Linguistic Minorities for the period from July, 1983 to June, 1984.

(3) An explanatory Note (Hindi and English versions) in regard to the Report.

[Placed in Library. *See* No. LT - 4293/87]

Amendments to State Bank of India General Regulations, 1955. Annual Report of the State Bank of India and its subsidiary Banks, Notification under Government savings Certificates Act under sick Industrial Companies (Special Provisions) Act.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): I beg to lay on the Table --

(1) A copy of the Amendments to the State Bank of India General Regulations, 1955 (Hindi and English versions) under sub-section (4) of section 50 of the State Bank of India Act, 1955. [Placed in Library. *See* No. LT - 4294/87]

(2) A copy each of the Annual Report (Hindi and English versions) of the State Bank of India and its subsidiary Bank of Hyderabad, State Bank of Indore, State Bank of Mysore, State Bank of Patiala, State Bank of Saurashtra and State Bank of Travancore for the year ended the 31st December, 1986 along with the year ended the 31st December, 1986 along with the Accounts and the 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. [Placed in Library. *See* No. LT - 4295/87]

(3) A copy of the Indira Vikas Patra (Second Amendment) Rules, 1987 (Hindi and English versions) published in Notification No. G.S.R. 408 (E) in Gazette of India dated the 20th April, 1987 under sub-section (3) of section 12 of the Government Savings Certificates Act, 1959. [Placed in Library. *See* No. LT-4296/87]

(4) A copy of the Board for Industrial and Financial Reconstruction (Financial and Administrative Powers) Rules, 1987 (Hindi and English versions) published in Notification No. G.S.R. 368(E) in Gazette of India dated the 2nd April, 1987 under sub-section (3) of section 36 of the Sick Industrial Companies (Speical Provisions) Act, 1985. [Placed in Library. *See* No. LT-4297/87]

Notification Under All India Services Act

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): I beg to lay on the Table a copy of the Indian Police Service (Uniform) Amendment Rules, 1987 (Hindi and English versions) published in Notification No. G.S.R. 248 in Gazette of India dated the 11th April, 1987 under sub-section (2) of section 3 of the All India Services Act, 1951. [Placed in Library. *See* No. LT - 4298/87]

12.04 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[*English*]

Thirty-Fifth Report

SHRI M. THAMBI DURAI (Dharmapuri): I beg to present the Thirty-Fifth Report (Hindi and English versions) of the Committee on Private Members' Bill and Resolutions.

12.04 ½ hrs.

PUBLIC ACCOUNTS COMMITTEE

[*English*]

Ninety-first, Ninety-second, Ninety-third and Eighty-sixth Reports

SHRI E. AYYAPU REDDY (Kurnool): I beg to present the following Reports (Hindi and English versions) of the Public Accounts Committee:-

(1) Ninety-First Report on Integrated Rural Development Programme.

(2) Ninety-Second Report on Customs Receipts - Irregularities in Bonds and Bank Guarantees executed by importers.

(3) Ninety-Third Report on Military Engineer Services

(4) Eighty-Sixth Report on Action taken on 207th Report of the Committee (Seventh Lok Sabha) on Development of a Weapon system and wrongful appropriation of public revenues to non-public funds.

12.05hrs.

[*English*]

COMMITTEE ON PUBLIC UNDERTAKINGS

Twenty-fifth, Twenty-seventh, and Twenty-eighth Reports and Minutes

SHRI BRAJAMOHAN MOHANTY (Puri): I beg to present the following Reports and Minutes of the Committee on Public Undertakings:

(i) Twenty-fifth Report (Hindi and English versions) of the Committee of Eastern Coalfields Limited and Minutes of the sittings of the Committee relating thereto.

(ii) Twenty-seventh Report (Hindi and English versions) of the Committee on 'Nomination of Directors by Financial Institutions' and Minutes of the sittings of the Committee relating thereto.

(iii) Twenty-eighth Report (Hindi and English versions) on Action Taken by Government on the recommendations contained in their Twelfth Report on Oil & Natural Gas Commission - Head Officer, Survey and Exploration.

12.05 ½ hrs.

COMMITTEE ON THE WELFARE OF SCHEDULED CASTES AND SCHEDULED TRIBES

[*English*]

Minutes of Sittings

SHRI K.D. SULTANPURI (Shimla): I beg to lay on the Table the Minutes of the First to Fourteenth, Seventeenth to Twentieth, Twenty-Seventh, Twenty-Ninth to Thirty-Second sittings of the Committee on the Welfare of Scheduled Castes Scheduled Tribes.

12.06 hrs.

COMMITTEE ON ABSENCE OF MEMBERS FROM THE SITTINGS OF THE HOUSE

[*English*]

Eighth Report

SHRI MADHUSUDAN VAIRALO (Akola): I beg to present the Eighth Report (Hindi and English versions) of the Committee on Absence of Members from the sittings of the House.

12.07hrs.

MATTERS UNDER RULE 377

[*Translation*]

(i) Demand for measures to provide drinking water in the country especially in eastern districts of Uttar Pradesh.

SHRI RAJ KUMAR RAI (Ghosi): I want to draw the attention of this august House and the Government to an urgent matter of public importance. The entire country, particularly eastern districts of Uttar Pradesh are facing serious drought. There is acute shortage of drinking water in the cities and the villages. People in remote villages are crying for water. The World Bank assisted the Central and State Governments in providing drinking water facilities but this is only a drop in the ocean. The number of villages where hand pumps and wells were to be installed is very few. Besides, only 2 hand pumps were provided in each of these selected villages, though there were many mohallas (*Purvas*) with large population and the distance is also more. Due to power failure the tube wells are also not working. The water in ponds and canals had dried up. The construction of drinking water tanks in the villages taken up by the Uttar Pradesh Jal Nigam in the Fifth and the Sixth Five Year Plans was abandoned.

Therefore, I demand that the Central Government should prepare a list of villages facing acute shortage of water and dig wells and instal hand pumps there on war footing, with the assistance of the World Bank. Besides, the construction of water tanks in villages to provide drinking water should once again be taken up in the Eighth Five Year Plan and power supply also be ensured.

[*English*]

(ii) Need to shift the Headquarters of the South-Eastern Railway to Orissa.

SHRI SRIBALLAV PANIGRAHI (Deogarh): Orissa is admittedly the heart of the South Eastern Railway. But it is unfortunate that the Headquarters of this Railway is not located inside Orissa. The demands continuously voiced by people from different walks of life on shifting the Headquarters to Orissa and also other genuine Railway problems and long felt needs are just given a deaf ear by the authorities. Recently, Orissa Legislative Assembly has also passed a resolution unanimously demanding shifting of the South Eastern Railway Headquarters to Orissa and fulfilment of long standing genuine demands and needs of the State without further delay. I would, therefore, request the Railway Minister to take note of it with all seriousness and take suitable remedial steps without loss of time.

(iii) Need to allow Farmers Cooperatives to set up Sugar factories of the capacity of 1250 TDC

SHRI MADHUSUDAN VAIRALE (Akola): Under new sugar policy declared by Central Government no sugar factory under capacity of 2500 T.C.D. can be opened. This decision is bound to the detrimental to small and marginal agriculturists, because it will not be possible for them to form agriculture cooperative factories with less than the above capacity. This will also be detrimental to growth of agro-based cooperative industries in the rural areas. The investment required as farmers share would also be large. It is, therefore, requested that the Central Government may revise the policy decision and allow the Farmer Cooperative Sugar Factories of the capacity of 1250 T.D.C. Such decision will go a long way to enable the small and marginal farmers to enter into modern industrial area through cooperative effort.

(iv) Demand for restoring full exemption of import duty on VCM or continue pre-budget import duty of 10 per cent on it to prevent closure of M/s Dharangadhra Chemical Works Ltd., Thiruchendur, Tamil Nadu.

SHRI R. DHANUSKODI ATHITHAN (Thiruchendur): Under Rule 377, I would like to bring the following matter to the notice of the Government for urgent action.

Sir, in my Constituency, in Thiruchendur District, Tamil Nadu, the only major industrial unit, namely, M/s. Dharangadhra Chemical Works Limited, have been wholly depending on the import of Vinyl Chloride Monomer (VCM) - an intermediary raw material - in the manufacture of PVC resin. About a decade ago, this major industrial unit had been forced to become sick and ultimately closed down rendering thousands of workers unemployed and creating lot of other problems in the constituency. However, with the exemption of customs duty and providing other concessions by the Government, this unit was revived and production of PVC resin and other materials has since been in full swing.

In the current budget of 1987-88, the Central Government has withdrawn the concession and also increased the import duty on VCM from 10% to 25%. This increase of import duty to 25% will seriously affect the Unit and it will be extremely difficult for the unit to absorb this increase in duty. It is again feared that the unit under reference is likely to become sick, ultimately leading to closure and rendering thousands of people out of job.

I would therefore request the Government kindly to restore the full exemption on the import duty on VCM or at least continue the pre-budget position of import duty of 10% on VCM so that the Unit may continue to be a viable one.

(v) Demand for measures to protect villagers and their cattle from tigers escaping from Tiger Project of Sunderbans.

SHRI SANAT KUMAR MANDAL (Joynagar): Sunderbans in West Bengal is not only famous for its natural scenic beauty, flora and fauna, but also for its Tiger Project, which is a star attraction for the tourists. Till lately, the tigers from this Forest Reserve have started intruding into the nearby villages like Rajat jublee, Jamespur under Police Station Gosabha, Lahirpur Gram Panchayat after crossing the small stream which lies in between the Reserve Forest and these villages. These marauders have started taking serious toll of cattle in these villages and have killed a number of cows, sheep, goats etc., apart from inflicting injuries on the farmers who tried to offer resistence and protect themselves and their cattle from the tigers' onslaughts. It is unfortunate that no action has been taken by the Tiger Project authorities either to prevent the escape of these tigers from their abode in the forest or protect the villagers. Nor has any compensation been paid to the farmers for the loss of their precious cattle and for the injuries inflicted on them by these ferocious animals. I would request the Project authorities to extend all help and cooperation to these hapless victims of the tigers in this area and win their hearts.

(vi) Demand for immediate action to counter Pakistan's anti-India propaganda

SHRI AZIZ QURESHI (Satna): Pakistan, under the influence and guidance of some

[Sh. Aziz Qureshi]

anti-Indian powers, has been trying to tarnish the image of India and create differences between India and its Arab and Muslim countries. History bears testimony that India, its people and Government have been the sincere friends of Arab and Muslim nations. Its relations particularly with the Kingdom of Saudi Arabia its rulers and people deserve special mention.

12.12 hrs.

[MR. DEPUTY-SPEAKER *in the Chair.*]

Late Pt. Jawaharlal Nehru was extended a historic welcome and was described as 'Prophet of Peace' (Rasool-as-Salam) during his visit of Saudia Arabia. Similarly, our relations with Kuwait, Libya, Egypt and other countries have been very cordial. We have championed their just causes and have fought for them in the world forums.

Pakistan with a sinister motive has launched an ugly and unholy propaganda and publicity campaign to spoil this relationship between us. They are trying to create serious misunderstandings between us just to damage our image.

What is urgently required is the re-assurance from our side to the Arab and Muslim countries that we shall continue to champion and plead their genuine causes and fight their wars in the world forums.

The Ministry of External Affairs through its external publicity division must initiate immediate action to counter this Pakistani propaganda and nip it in the bud, to convince and re-assure our Arab and Muslim friends of our unequivocal support.

(vii) Demand for financial assistance to Tamil Nadu Government to meet the acute scarcity of drinking water in Madras City.

DR. A. KALANIDHI (Madras Central): The people of Tamil Nadu especially the residents of Madras City are worst hit by water scarcity. The women folk have to trudge long distances to fetch water. In other places the people have to pay for water. The Veeranam Project has been discarded and this has resulted in acute scarcity of water in Madras City. The Krishna Water Scheme is also in doldrums and it would also cause much havoc in the normal life of the people of Madras City. It is high time that the Government of India should come forward to redress the grievance of people. It should allocate at least Rs. 30 crores to the State Government to enable them to sink borewells and purchase other equipments. The Centre should see that the Krishna Water Scheme is speeded up and take up the matter with Andhra Pradesh Government and Tamil Nadu Government.

12.14 hrs.

FINANCE BILL, 1987

[*English*]

MR. DEPUTY-SPEAKER : We shall now take up Item No.10 - Finance Bill. 15 hours have been allotted for all the three stages of the Finance Bill, 1987. If the House agrees, we may have 12 hours for general discussion, 2 hours for clause-by-clause consideration and 1 hour for Third Reading.

Now, the hon. Prime Minister may move.

12.15 hrs.

[MR. SPEAKER *in the Chair*]

THE PRIME MINISTER (SHRI RAJIV GANDHI): I beg to move:*

"That the Bill to give effect to the financial proposals of the Central Government for the financial year, 1987-88, be taken into consideration".

* Moved with the recommendation of the President.

The details of the proposals in the Finance Bill, have been spelt out in the Explanatory Memorandum, which has been circulated along with the Budget papers. The salient features of these proposals have been explained in my Budget Speech. I will not, therefore, take up the time of the House by covering the same ground again.

Hon. Members on both sides of the House have made valuable suggestions during the general debate. We have also received representations from various sections and comments from experts. In the light of these, I have decided to make certain amendments in the original Budget proposals.

In respect of direct taxes, I propose to make the following amendments:-

(a) Apprehensions have been expressed that the proposed new section 194E of the Income-tax Act, which seeks to extend the area of tax deduction at source, may cause unnecessary harassment to large numbers of honest tax-payers who might have to seek refunds. After careful consideration of representations received, this proposal is being withdrawn.

(b) The Finance Bill inserts a new section 115J in the Income-tax Act to levy a minimum tax on 'book profits' of certain companies. Representations have been received that in computing book profits for the purpose of determining the minimum tax, losses and unabsorbed depreciation pertaining to earlier years should be allowed to be set-off. Otherwise, new projects that have just begun to make profits after some years of losses, and sick companies that have just turned the corner, will become subject to minimum tax. There is merit in this suggestion. Under section 205 of the Companies Act, 1956, past losses or unabsorbed depreciation, whichever is less, is allowed to be set off against the book profits of the current year for determining profits for the purpose of declaring dividends. It is proposed to allow the same adjustments in computation of book profits for purposes of the new provision for levy of minimum tax.

(c) The Bill seeks to insert a new section 54H of the Income-tax Act providing for exemption of capital gains arising from the transfer of shares to any public sector company as specified by notification. This was only an enabling provision, but it has given rise to undue misgivings. It is proposed to delete this provision.

(d) The Bill seeks to insert a new section 54G providing for exemption of capital gains on transfer of assets, in the case of approved schemes for shifting an industrial undertaking from urban areas. The exemption will be available in respect of long-term capital gains arising from the transfer of machinery, plant, building or land. Representations have been received that the underlying objective of re-location of industries is not fully achieved by this provision because of section 50 of the Income-tax Act. This section provides that capital gains arising on transfer of long-term capital assets in respect of which depreciation has been allowed, will be deemed to be short-term capital gains. To give effect to the original intention, it is proposed to amend this provision to secure that capital gains, whether short-term or long-term, will qualify for exemption.

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(e) The Bill seeks to amend section 2 (22) (e) of the Income-tax Act to provide that loans or advances given by any closely-held company to its share-holders, or to any concern in which such share-holders have a substantial interest, shall be deemed to be dividend for the purposes of taxation. It has been pointed out that such a provision may be unduly severe in the case of persons having small shareholdings. It has also been pointed out that it should not apply retrospectively to cases where advances or loans have already been given by closely-held companies to shareholders before this Finance Bill is enacted. The proposal is now being modified so that it will apply only to cases where the shareholder holds 10% or more of the equity capital and to concerns in which such shareholders have substantial interest. Further, the new provisions shall be applicable only where the loans or advances are given after 31-5-1987.

The other amendments relating to direct taxes are purely of consequential or clarificatory nature and I would not like to take the time of the House in dealing with them.

The changes in respect of indirect taxes are as follows:-

(1) In the Budget, I had announced excise reliefs and reduction in levy quota for new cement units manufacturing portland cements, which commenced production on or after 1-4-1986. I now propose to extend a measure of relief to cement units which commenced production between 1-1-1982 and 31-3-1986. These units will get excise relief of Rs. 20 per MT for portland cement. Their levy quota is also being reduced from 30% to 20%. Both these measures are for a period of 3 years. The excise concession will be available only to those units whose aggregate production is not less than 30% of the licensed capacity, and which produce cement out of captively produced clinker. These excise duty benefits would be given to mini cement plants as well.

(2) I had proposed certain changes in the exemption scheme for hand-processed cotton fabrics. The full exemption limit was increased from 36 lakh sq. mtrs. to 50 lakh sq. mtrs irrespective of the type of processes employed. I now propose to further liberalise the exemption scheme by raising the exemption limit to 75 lakh sq. mtrs. for screen printed fabrics. All hand processing units will be eligible for these exemptions irrespective of their turnover. The duty rate on clearances in excess of the exemption limit is also being reduced from 50% of the normal rate to 25%. In order to relieve small units from the rigours of excise formalities, exemption from central excise licensing control is being given to units whose clearances do not exceed 80% of the full exemption unit.

(3) The customs duty exemption available to imported waste paper was withdrawn in the Budget, and a duty of 25% was imposed in its place. As a measure of relief to small paper mills, who are major users of such waste paper, I now propose to reduce the rate from 25% to 10%.

(4) Excise duty on wool tops was removed and import duty on raw wool, wool waste and woollen rags was increased from 20% to 30%. To ensure availability of wool at reasonable prices to this export oriented industry, I am restoring the pre-budget rate of 20% on raw wool, wool waste and woollen rags. This rate is also being made applicable to synthetic rags.

(5) Excise duty on wood products based on waste wood, such as particle

board, insulation and fibre boards is being reduced from 20% to 10% ad valorem.

(6) Import duty on non-electronic parts for computers required for the manufacture of 22 specified peripherals is being reduced from 75% to 45%.

(7) Six new items are being added to the list of computer peripherals for which import of non-electronic parts is permitted, for maintenance purposes, at concessional rate of 75%.

(8) A uniform rate of import duty of 75% is being imposed for raw materials and components required for the manufacture of the Public Telephone Exchange Net Work Project.

(9) On certain items of consumer electronics, including VCRs, VCPs, combination sets of TVs with audio recorders, radio or clocks, specific rates of excise duties are being fixed. Some other minor changes are being also made in the import duty structure on raw materials and piece parts used by the electronic industry. Some procedural simplifications are also being carried out.

(10) Excise duty of 15% was imposed in this year's Budget on spices sold in unit containers. It has been represented that this duty would adversely affect a large number of small units. I, therefore, propose to exempt packed spices fully from excise duty.

(11) Excise duty for retread rubber and other retreading materials were revised in the Budget. It has been represented that the small scale sector has been adversely affected by this revision. I, therefore, propose to reduce the rates from Rs. 6 and Rs. 9 per kg. to Rs. 4 and Rs. 8 per kg. respectively.

(12) In the Budget, import duty on general machinery was reduced to 85% and the rate on components of machinery to 70%. As a meausre of support to the textile machinery and machine tools sectors, the duty on components for these items is being reduced from 70% to 60%.

(13) To simplify classification and assessment of parts of machinery, appliances and equipments, a new tariff Heading No. 98.06 was proposed in the Customs Tariff in this year's Budget. Most of these parts are already exempt from countervailing duty. As a measure of further simplification in respect of such parts, which attract countervailing duty, a uniform rate of countervailing duty at the rate of 15% ad valorem is being proposed.

(14) The extension of MODVAT scheme to more items and the procedural relaxation made in the Budget have been widely welcomed both in the House and outside. Some more further relaxations in this scheme have already been made. The facility of adjustment of MODVAT credit will now be allowed in all situations wherever the input duty is varied upwards. A manufacturer availing of MODVAT has also been made eligible to avail of the proforma credit scheme under Rule 56A in respect of inputs not covered under MODVAT.

(15) The following other reliefs are also being proposed:

(i) Excise duty on non-tinted toughened glass is being reduced from Rs. 25/- to Rs. 15/- per mm thickness per sq. mtr.

(ii) Excise duty on glues and adhesives based on plastics is being reduced from 40% to 25%.

(iii) On certain travel goods where MODVAT benefits are lower than

[Sh. Rajiv Gandhi]

> estimated, excise duty is being reduced from 35% to 30 ad valorem.

The total impact of these and some other concessions and reliefs aggregate to Rs. 40 crores on the Customs side and Rs. 30 crores on Excise side. This will be made up by better collections during the course of the year. Notifications giving effect to the proposed changes, wherever necessary, would be issued and laid on the Table of the House in due course.

I request hon. Members to lend their support to the Finance Bill, with the modifications I have proposed. Sir, I move the Bill.

MR. SPEAKER: Motion moved:

> "That the Bill to give effect to the financial proposals of the Central Government for the financial year 1987-88, be taken into consideration".

Shri C. Madhav Reddi.

SHRI C. MADHAV REDDI. (Adilabad): Sir, a number of concessions and modifications had been announced just before the discussion on the Finance Bill is about to start. While I welcome some of the change anounced by the Government, eventhough at the eleventh hour, I am sorry to state that we have no time to study them. I would have appreciated if these changes had been announced a few day earlier, as it was the practice in this House, so that we may study and understand the actual impact of these proposals and understand as to what is going to be the revenue loss because of these changes.

Sir, one of the changes which was proposed is with regard to ...*(Interruptions)* He said it is about Rs. 70 crores - Rs. 40+30 crores .... *(Interruptions)*. I beg your pardon. Please tell me. I am not able to hear. I am prepared to yield...

SHRI G.L. DOGRA (Udhampur): This way, they will collect Rs. 70 crores more....

[*Translation*]

SHRI C. MADHAV REDDI: Kindly let me speak. I have not yet made my point and you have started interrupting.

[*English*]

MR. SPEAKER: Order, order...

SHRI C. MADHAV REDDI: Now, Sir, one of the concessions announced with regard to Section 115(j) certainly is welcome. The deletion, withdrawl of Section 194 (e) is also welcome. But, Sir, Section 115(j) relating to taxing the Zero Tax Companies, I would like to know how many are those Zero Tax Companies after the abolition of the investment allowance. Investment allowance has already been abolished from 1st of April this year as had been announced in the last year's Budget. After that, except those companies which enjoy certain facilities such as the companies which started industries in the backward areas, because certain concessions are available to them and except those who are going to take advantage of this special deposit that they deposit it with the IDBI, certain funds which will be deducted from taxable income there will be very few companies which would be considered as zero tax companies. Now, when you withdraw the investment allowance, which was the right step, what you are going to do is to punish such companies with another provision. What does it mean? You are suggesting two prescriptions for the same patient.

[*Translation*]

Which will mean that both the disease and the patient will be finished.

[*English*]

I would rather suggest that either you have this investment allowance or you have the tax on the zero tax companies, the minimum tax.

With regard to the other concessions, I am not in a position to make any comments now; they certainly require a detailed scrutiny. I would, therefore, like to make certain general observations avoiding repetition of certain observations already made on the floor of this House at the time when the General Budget was being discussed. I am not going to say anything about the proposals with regard to deficit finance. Much has been said about it. But there are certain comments which I would like to make with regard to certain other proposals.

While replying to the debate on the General Budget, the hon. Prime Minister had said:

"We are giving a lot more to the States. We have not increased the customs duty. We could have played a dirty trick by balancing excise duties".

Sir, there are many dirty tricks played I may be permitted to say what are those tricks which have already been played. I will come to that later. Mr. Prime Minister, your observation is that you have been transferring the amounts to the States liberally though you have forgotten that the States have got statutory rights, Constitutional rights, to get shares from the revenue which you collect.

[*Translation*]

SHRI G.L. DOGRA: The transfer of revenues is to help the States.

SHRI C. MADHAV REDDI: Please sit down. I know that you do not want to listen because truth is always bitter.

SHRI G.L. DOGRA: No it is not bitter, but you never reveal the truth.

[*English*]

SHRI C. MADHAV REDDI: When you transfer funds to the States, there are two types of transfer. One is the transfer which is a statutory transfer, which goes out of the divisible pool, but in this you have no choice because just as you are collecting taxes, we in the States are also collecting taxes in the States and you are sharing the taxes which we are collecting. The constitution has clearly laid down what are those taxes which the Centre has to collect and what are the taxes which the States have to collect. May be, their number is small, their area is limited, but they are collecting taxes in which the Centre is having a share. Now, when you are transferring funds from the divisible pool, I am at a loss to understand why you think that it is a favour. Why it is a favour. After all, it is a constitutional obligation which you are discharging as the States are discharging. Sir, I know it is because of better collections that the transfers to states had gone up; better collection is the duty of the Government, better collection was there in the past. I know Shri V.P. Singh's efforts what he has done and because of his efforts and raids, there was about 1500 crores extra collection and out of court settlements due to additional there was 4 to 5 hundred crores Government has received. That is welcome. And out of that, we got our quota, our share. But the point is while we get out share increasingly, we have been noticing that the States are getting less and less from the divisible pool and more and more from the other grants which are grants-in-aid or which are discretionary funds. Well, in the matter of discretionary funds, certainly we are at your mercy. We have to come to you with a begging bowl and we have asked for funds and you are in a position to dispense justice. I know that. Continuously from 1952, there had been a constant effort on the part of the Central Government to see that the divisible pool is reduced proportionately and there is an increase of transfers from the other discretionary funds. Sir, up to 1957 I was a Member of this House. From 1952 to 1957 the Income-Tax on companies was coming to the divisible pool. Now, Sir, where is this Corporate Tax? Are you giving anything out of that? In 1959 you changed and you had given a different definition, to the tax which is no longer called Income-Tax, which was re-named as the Corporate Tax. Since Corporate Tax is not to be shared, you said

[Sh. C. Madhav Reddi]

we don't give you anything. And Corporate Tax income has increased enormously because it is a buoyant tax. Because lot of companies are coming, industrial development is taking place and certainly more and more revenue is coming into the Corporate Tax. Even in the matter of collection expenditure, if you see, when you collect the Corporate Tax and Income-Tax, the same Department does it. There is no separate Department for it. But when you apportion the expenditure for collection, what are you doing? How are you apportioning? Would you kindly see one-seventh of the expenditure is charged to the Corporate Tax and six-seventh of the expenditure on the collection is charged to the Income-Tax? That is, the States are bearing the brunt of the expenditure which is growing day by day of the Income-Tax Department.

Now, this has been commented by the Finance Commission. I am not telling out of my imagination. This has been commented by the Finance Commission. Sir, apart from this, there are several recommendations of the Finance Commission, the Eighth Finance Commission which have not been accepted by the Central Government. You have appointed the Finance Commission, you never consulted the State Governments as to who is going to be in the Finance Commission? Who should head the Finance Commission? The entire choice was yours. Then, when the Finance Commission makes a recommendation the Central Government says, no, we don't accept this. How is it? There is a clear recommendation by the Finance Commission that when you increase the administered prices of commodities, you should not treat it as a revenue, it is better if you increase the excise duties in which States have a share instead of increasing administered prices. During the last three years, the administered prices of various commodities steel, petroleum and so on had been enormously increased. 15000 crores of income has been received by the centre under this. And what is the share you have given to us? No share. We don't have any share. *(Interruptions)*

[Translation]

You reply to my arguments while speaking. If you merely want to interrupt me, I sit down. You speak and I will reply.

[English]

You are a knowledgeable man and you know it.

What I mean to say is that during the last three years Rs. 15000 crores of income have been received by us on various accounts because of the increase in the administered prices; but the States have got nothing. On the contrary, State projects had become costlier because you have increased the price of cement, the price of steel etc. Their budget has been upset because of this. Did you ever consult them at least before you increased the prices of these commo-dities? You never consulted them. There is a provision in the constitution for a council for consulting the States with the Centre. You never appointed such an inter State council and no consultation is there. There is only a National Development Council which meets every year where only formal speech making is done, but no discussion takes place.

Regarding the administered prices, it is only fair that you give atleast 40% of the income which you get out of this to the States. You are not going to do it. Not only this, the States are suffering because of many other measures which we are taking here ignoring the rights of the States.

The State Governments have been asking for the appointment of the Finance Commission early. The 8th Finance Commission was appointed in 1982, which means already five years have elapsed. Every five years, under the constitution, you have to appoint a Finance Commission. That Finance Commission will take one or two years to make the recommendations. Those recommendations will become effective after the Report is received by us. The 8th Finance Commission submitted its recommendations-because it submitted the recommendations late, the recommendations of the 8th Finance Commission have become operable only for four years, not five years. The recommendations are effective for five years; but you said that even though the Finance Commission gave an interim report which was ignored, when the final report was submitted it was too late because already your proposals for budget making had been finalised. Then we lost one year and as a result of that, the States lost about Rs. 1500 crores, because they did not get anything out of that. As a result, the recommendations of the 8th Finance Commission have become effective only for four years, not five years. Statutorily we must have the advantage of having five years.

Where is the 9th Finance Commission? When are you going to appoint it? You are waiting for the Sarkaria Commission's report. I don't know whether that Commission's report is going to come and when it is going to come. We have been told that some States have not submitted their memoranda. Only two or three days ago the Punjab Government has submitted, I don't know about Haryana and about many other States. They have not submitted their memoranda and the Sarkaria Commission is waiting for each and every small State including the Union Territory to submit its memorandum before they are going to deliberate.

Is it justice? How are we going to wait for so long? The Commission should have submitted the Report and if it does not come, it is all right if they have any difficulties, because it is the sweet will and pleasure of the Commission. We can only appoint Commissions, we cannot dictate terms as to the term of office. They go on asking for extension. It is OK. But without waiting for the Sarkaria Commission, why have you not appointed the 9th Finance Commission? Because if you appoint now, it will take one and a half years and by 1999 at least, after four years the new Commission's recommendations will come into effect. Otherwise again the 9th Finance Commission's recommendations will be operable only for four years, not for five years. Is it not an aberration? Is it not a distortion of the Constitution? Don't you think this is going to give lot of heart burn to the States? I am not going into several of these aspects between the Centre and the State Governments.

I would like to draw your attention to some of the financial jugglery which the present Government is pleased to indulge in with regard to the growth rates — economic growth rate, industrial growth rate and agriculture growth rate. Time and again we have been told that our growth rate is very statisfactory. Our exports are very satisfactory. Our balance of trade position is very good. There is saving of Rs. 1,000 crores in the Trade deficit. The industrial growth rate has registered an increase of 8 per cent. But on what basis! The Government is silent about the change in the index. How are you going to measure your growth rate? Without mentioning anything you have suddenly changed the yardstick. Okay. You are at liberty to change the yardstick. If you think your son is not growing fast and you are very much worried and you are measuring him every year and you feel your son is not growing at all and then one fine morning you change the yardstick and cut it by one inch and you get satisfaction that your son is growing at a good speed.

SHRI MURLI DEORA (Bombay South): That happened in Andhra Pradesh.

SHRI C. MADHAV REDDI: Andhra Pradesh has no right to change the indices.

SHRI P. KOLANDAIVELU (Gobichetti Palayam): They are not having the yardstick. They are having the meter-stick.

SHRI C. MADHAV REDDI: Still we call it yardstick idiomatically. We do not call it meter-stick.

The index of industrial production we revise every ten years because new industries come in with higher growth rate. There are certain categories of industries with lower growth rate and others with higher growth rate. You have to eliminate some and include others. But the point is last year and the year before the growth rate

[Sh. C. Madhav Reddi]

has been measured with a bigger yardstick and this year the growth rate is being measured with some other yardstick. The electronics industry, chemical industry, petro-chemical industries and several other industires with higher growth rate have to be included. My point is do not include only the high growth rate industries and elim-inate the low growth rate industries to arrive at a higher growth rate this year.

You can revise your yardistick. I am not finding fault with the revision of the index. You have to revise it every ten years but when you measure your economy, you measure it correctly with one yardstick and not two yardstticks. Judging from that I feel the industrial growth rate this year, that is, in 1986-87 is only 6.2 per cent and not 8 per cent. It is certainly 8 per cent if you measure it with a new yardstick which has been recently revised. This is my dispute.

Same is the case with the exports. Well we are happy that there has been an increase in the exports but it is not to the extent we are being told. We are also happy that the imports have reduced. But then why is it? Is it just because of the decline in the oil prices? Remove this oil from the imports and then what is the picture? The picture is that our imports have increased by 26 per cent as against 17 per cent increased in the exports. Sir, where is the guarantee that this year's position will remain for the next year with regard to oil? The prices are already increaing. What would be the economy of the country once the prices go up again? You can't show then that our exports are increasing and our imports are decreasing. These are the facts which have to be brought before the House thoroughly so that we may appreciate the actual position. If there are indications that our economy is growing, then, Sir, certainly we will appreciate it. We are not here to criticise the Government for everything. I am here to appreciate the efforts of the Government in certain sectors which have given results. But, Sir, the truth has to be told. Truth like murder will always come out. It cannot be hidden.

Sir, this year's budget has been almost a no-tax budget. With the deduction of Rs. 70 crores relief announced today the tax revenue will go down further. Now I am very happy that at last the oil pool account is being brought into the tax net. This should have been done long ago. You were having a surplus oil pool account of Rs. 6 to 7 thousand crores and you were not able to spend it for exploration or for exploitation of oil in the country. Hitherto you were simply transferring the surpluses from the oil pool account to the general revenue.

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): There is no surplus for exploration or exploitation of oil.

SHRI C. MADHAV REDDI: There is surplus in the oil pool which admitted . There is always dearth of capital according to Government, for development and we had been borrowing heavily. Recently, there was a report that the Oil India is borrowing funds from outside, etc., etc. Anyway that is not the point. The point that I was making is that you had surplus funds in the oil pool account which had not been properly utilised and which you are transferring to the Government as non-tax revenue. This amount was being transferred as non-tax revenue. Now you are bringing it into the tax net. But why don't you bring the entire surplus into the tax net? Why do you bring only about 40% Fifty per cent of it, almost about Rs.700-800 crores or so, is coming through the excise duty in which the states will have 40-50% share. Any way we are happy for that unless, of course I don't know some accounts are juggled and you say States have no right in that.

Sir, similarly the rest of the revenue to about Rs. 800 crores or so which will come because of the increase in the import duty on the crude oil which remains adjusted as import duty and in which we have no share at all.

SHRI BRAHMA DUTT: Royalty?

SHRI C. MADHAV REDDI: Royalty, of course, is included with pool. But this royalty we get on the indigenous crude, not on the imported crude. The import duty is being imposed on the imported crude which I am talking about.

Now, Sir, coming to the question of some of the measures for achieving savings so that they may be available for investment, I certainly welcome those proposals. The new National Savings Scheme is a very good scheme. I am happy to know that the States will have their share in that. But the states are losing in small savings. My complaint is that you are making certain deposits in the banks so attractive that the people are today preferring deposits in the banks instead of going to the small savings, to the post offices. If the same amount goes to the post offices, we get about two-thirds for the States, but if the same amount goes to the banks, we will get nothing out of it.

SHRI BRAHMA DUTT: You get for your projects.

SHRI C. MADHAV REDDI: We get for the projects when we ask for it and you take mercy on us; we have to beg. All right, but then when we want to go to the market, what is the attitude that you take. The other day you were answering a question which I put to you that the public sector companies were going to the market and borrowing funds for their development. We welcome this. I am not criticizing and I really feel that the private sector's criticism of this particular action is absolutely wrong. Because when we are raising funds by going to the market by way of debentures of other borrowings, we are not depriving the private sector and as my hon. friend, Shri Indrajit Gupta says, these bonds are being subscribed mostly by the banks and the financial institutes, not by the public.

SHRI RAJIV GANDHI: If I may just clarify that, they are being bought by the banks to be resold. The banks are not holding on to them. I have made that very clear to the banks. They buy them and then they sell them to their customers.

SHRI C. MADHAV REDDI: I am very happy for the clarification. But I am not sure. That is not my point at all. I am supporting the Government that the Government is within its rights to go to the market and raise funds for the public sector. Of course, when the public sector is going to the market, you are not giving any guarantee for them. The public sector is taking the full responsibility for their borrowings. What you have done is that you have permitted then, you said: All right, there would not be any tax on the interest which will be accrued on this. With that the bonds have become attractive for the public. You are giving this conncession while giving permission to the public sector units to borrow funds from the market. But why don't you extend the same facility to the state sector units? When the State sector came to you, you said: No, you have a ceiling within which you can borrow, not beyond that. The State Government is not borrowing, they are not interested in borrowing the ceiling applies to State Government not to the public sector units such as the State Electricity Boards, Road Transport Corporations and a host of other public sector units that the States have. Why do you make a distinction between a Central sectror and a State sector unit? Why don't you permit the State Sector units also to go to the market with the same concessions, such as ten per cent rate of tax-free interest? If that is done, the States will be benefited. Why are you not permitting them?

SHRI MURLI DEORA: There is a ceiling for the public sector also.

SHRI C. MADHAV REDDI: There is a ceiling on everything that way; there is a ceiling even on how much you can borrow from the entire world. Today there was a question which was in my name, but I was not here to ask. Even for the external borrowings also you said, you could put a ceiling and so on. I am not talking of the general ceiling, but you have a ceiling for the state government. If the State Govern-

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ment wants to borrow from the market you have fixed a ceiling. But this specific ceiling does not apply and should not apply to State public sector unit if it directly wants to go to the market just as any private sector company either for shares or for debentures. They should be permitted just as the private sector units. The private sector complains today that they are being discriminated. That complaint applies more to us, more to the State sector. You are not permitting them to go to the public while the private sector units are free to go to the public.

You should reconsider this position and I urge upon the Government to see that no discrimination is shown to the State sector units. Afterall, you can always scrutinise the proposal and we choosy; you can say the proposal is not right. If the State sector unit is coming for a loan for which there is no justification they do not have a worthwhile project I can understand but when they have a worthwhile project why don't you consider on the same lines on which you are considering the proposals from the public sector units, that is my contention.

13.00 hrs.

Sir, in the matter of overdrafts, the Hon. Prime Minister told us that the States are not observing financial discipline; they are going in for heavy overdrafts and you have converted the overdrafts in to loans, and said that there should not be any further overdrafts. Sir, when the State Government is in need of funds and when they go to the Reserve Bank of India and draw more than deposits it is called overdraft. But when the Central Government borrows from the Reserve Bank of India against the treasury bill, it is deficit financing. Central Government has no financial discipline at all. There is no need for Mr. Brahma Dutt to observe any discipline. The entire discipline is to be observed only by the State Governments.

Now, Sir, what is the difference between the overdraft and the deficit financing ? In real terms there is none. But, today you say that within one week these overdrafts will have to be cleared. Which Government is in a position to clear? How can they clear it? Sir, the overdraft is necessary because the State Government do not get the revenues according to their plan in a very systematic manner consistently week after week. At times there is surplus, other times there is deficit in the collection of revenues and for a short period of month or two or three weeks they require overdraft facility. And when they protested, what the Central Government said is "All right, we will increase your ways and means advances". Now, Andhra Pradesh was having a ways and means limit of 60 crores. You have made 68 crores. How liberal! you have increased only 8 crores and said no overdraft and within one week you should clear it. How is it possible? Have you ever consulted them; have you ever tried to understand their position. You have this mistrust about the States that they are indulging financial indiscipline; that they do not observe any financial discipline at all and that is why we are here

[*Translation*]

You think that you can enforce discipline by force and you claim that this cannot be done by us you treat us as your subordinates and expect us to carry out your orders.

[*English*]

This type of attitude must change and you should understand their problem. Please see that the overdraft is permittted at least for month so that they may tide over the difficulties.

Sir, these are some of the observations which I would like to make and again I would like to submit that if these proposals and concessions, which have been announced the Prime Minister just now had they been announced earlier it would have given us an opportunity to make better comments, to make more comments and to make the deliberations more useful. Thank you Sir.

MR. SPEKAER: The House stands adjourned for Lunch to meet again at 2.05.

13.04 hrs.

The Lok Sabha adjourned for Lunch till five minutes past Fourteen of the Clock.

The Lok Sabha re-assembled after lunch at ten minutes past Fourteen of the Clock.

[MR. DEPUTY SPEAKER *in the Chair*]

FINANCE BILL - 1987 - *CONTD*

[Translation]

SHRI RAM SINGH YADAV (Alwar): Mr. Deputy Speaker, Sir, I rise to support the Finance Bill, 1987 presented in the House. To give a progressive look to our economy, our Prime Minister, the leader of the House and the Finance Minister, Shri Rajiv Gandhi has given a new direction to it. The long-term fiscal policy is in itself a new step and it has not only given a new direction to our economy, but also given the required boost and assured growth rate to it. The hon. Finance Minister has granted concessions to the tune of Rs.70 crores through this Finance Bill. This would particularly benefit the small entrepreneurs. His promise of simplifying the taxation system will also be fulfilled through this Bill. Whether it is corporate tax or direct tax, everyone will benefit from it.

The hon. Member who spoke prior to me dwelt on the Eighth Finance Commission and said that its report should have been implemented on the Ist April 1984, but in fact it was done a year later and consequently the benefits accruing to the States as on Ist April 1984 were received a year later. Besides, the states were also deprived of the grants they were to receive on the basis of the Eighth Finance Commission's Report. I think that either the hon. Member was not a Member of the Seventh Lok Sabha or he has not cared to go through the Report of the Eighth Finance Commission. Had he even gone through the debates on the Report of Eighth Finance Commission he would not have said like this. I would like to mention here that when the Report of the Eighth Finance Commission was being discussed in the House, even hon. Members of Opposition, like Shri Somnath Chatterji of Bengal and Prof. Madhu Dandavate of Maharashtra, admitted that whatever Government had done in this regard was in the interest of the nation. According to you, if the Report was implemented on Ist April, 1984, the States would have received Rs. 1400 crores more. But I would like you to remember the circumstances. The Report of the Eighth Finance Commission was presented to the President on 30th April 1984, when the Budget had already been presented to the House. If the said report had been received by the Finance Minister prior to the presentation of the Budget, it would have enabled him to raise and additional Rs.1400 crores but if I recollect correctly the total deficit in that years' budget was Rs. 1500 crores and if this amount had been added the deficit would have shot up to Rs. 3000 crores.

SHRI C. MADHAV REDDI: I think you have not caught my point. My point is what has happened in the past should not be forgotten.

[*English*]

History is being repeated again.

[*Translation*]

The same thing would be repeated in the Ninth Finance Commission.

SHRI RAM SINGH YADAV: Because you raised this controversy, I would like to clarify that our Government and the then hon. Finance Minister had only three alternatives before them. One was to levy additional taxes through supplementary tax proposals. The 1984-85 budget had a deficit of Rs. 1500 crores and the taxes were already on the high side. Under those circumstances if we had given additional

[Sh. Ram Singh Yadav]

dose of taxes who would have accepted it? None would have accepted. Besides, if there had been any laxity the deficit would have risen from Rs. 1500 crores to Rs. 2900 crores. How could the nation bear it? Could the economist allow it? Could you accept it? The Eighth Finance Commission submitted its report to the President of India on 14th November 1983. At that time the Government of India made a payment of over Rs. 500 crores for the states having deficit till 31st March, 1982 like Bengal, Rajasthan, Andhra Pradesh and over above this amount, granted Rs. 600 crores to the States on the approval of Planning Commission to meet other exigencies. In this way the Centre granted about Rs. 1100 crores to the states in the first year of the Eighth Finance Commission. I would like to remind you that when it was discussed in the House many hon. Members of the opposition admitted that the steps taken by the Government in regard to the Eighth Finance Commission were praiseworthy, and they did not want to add anything more to it. Shri Madhu Dandavate had said:

[*English*]

"Four instance, Rs.494.83 crores as grants-in-aid to nine States that need aid very much. It was, of course, clarifired, I must concede...."

He had conceded it on this point.

[*Translation*]

They praised the grant in aid of Rs. 494.83 crores to states-those which were drawing over-draft and the step up of Rs. 600 crores i.e. 10% plan in aid. This not only helped in increasing growth rate, but also in boosting the annual plan. In a way, this has also proved to be productive. The release of Rs. 600 crores by the Centre was essential for our progress and planned development. Sir, now I would like to quote from the speech of Shri Somnath Chatterjee.

[*English*]

"So far as the recommendations of the Eighth Finance Commission are concerned-I do not want to question about West Bengal only-have you still got an open mind?"

He also concedes that the 8th Finance Commission has done justice to West Bengal. Now my friend is telling that the 8th Finance Commission has not done jusuce to the States.

[*Translation*]

Shri Madhav Reddi of the opposition said just now that attention has not been paid to the implications of the Eighth Finance Commission and the share to States.

Sir, I would like to mention here that even the World Bank Report has admitted that from the point of view of economic progress, high production, and long term fiscal policy, India stands first among the developing nations. Therefore, we should thank our leader Shri Rajiv Gandhi the builder of modern India-for having formulated an economic policy which is leading the country to progress.

Sir, eminent economists have said here that when you make an assessment of India's economic progress you have to compare it with international standards. The average Gross Domestic Product throughout the world in 1984-85 was 2.5 per cent whereas GDP in India was 5%. No body can deny this. Does this not reflect the economic progress in the country? You may criticise it, but I would like to quote from the latest annual report 1986 of World Bank wherein it has been mentioned about India that:

[*English*]

"In light of the targets of India's seventh five-year plan (1986-90), which calls for average annual real growth of 5 per cent, the pace of econo-mic activity in fiscal 1985 was below the plan target: Growth in GDP was around 3.6 per cent; early estimates for fiscal 1986, however, indicate a likely growth rate of about 5 per cent. Food-grain production in fiscal 1986, estimated at 150 million tons (an increase of around 2.5 percent over the previous year) was close to the record reached in fiscal 1984."

On page 100, it further read as follows:

"Last year's Annual Report noted that preliminary reviews of India's economic performance under the sixth five-year plan suggested that most plan tragets had been achieved. The suggestion has been confirmed, and india's performance is a tribute to the quality of its economic management in adjusting to a variety of challenges while keeping external borrowing and inflationary pressures in check.

So, they have paid a tribute to the economic activities economic progress of our country. The World Bank has paid a tribute to India for their economic progress. My friend has not gone through this Report. Otherwise, he would not have criticised the economic Policies and the fiscal Policies which have been adopted by our Party, by our government, by our leader. Rather he should have thanked our leader that he has adopted long term fiscal policies. This is what is the opinion of the World Bank about the long-term fiscal Policies. On page 101, it reads as follows:

"Building on the experience of the previous plan, the seventh plan targets annual GDP growth at 5 per cent, places more emphasis on the efficient use of capital and other resources than on accelerated growth of investment, and underscores the importance of a high rate of export growth. However, this approach, which aims to provide the government with an opportunity to deal more effectively with the twin challenges of alleviating pervasive poverty and creating employment for a labour force expected to grow at 2.3 percent a year, depends critically on a continued and substantial net transfer of capital.

[*Translation*]

It is my submission to you that the World Bank has commended the economic policy of India vis-a-vis the other developing countries. It has commended the economic policies and objectives of India incorporated in the Seventh Plan.

The hon. Member has also said that there is a deficit of Rs. 5688 crores in the current budget. Today, U.S.A. and Japan are the richest countries. What is the position of their Budget in the World Bank Report? The impact of the deficit on GNP in U.S.A works out to be 2.4 per cent. In U.S.A. the G.N.P. rate at this stage is 4 per cent. In this way the affluent as well as developed countries have deficit Budget. The hard currency of Japan controls the entire world, but they are also having deficit budget. I want to quote the World Bank Report in respect of these two counts.

[*English*]

Chapter Two - The Economic Scene: A Global Perspective. On page 37, it reads as follows:

"The GDP of Japan increased by 5 percent, down from 5.8 percent in the previous year. Fiscal Policy continued to aim at a reduction in budget deficits, and monetary ease was limited by exchange-rate objectives. Japan's external sector provided a strong stimulus..."

This is about Japan. On page 36, they have mentioned about USA ... It reads as follows:

"The United States, the main agent of the recovery, was also the main contributor to this slow down, as its growth rate fall to 2.5 per cent

"...from 1984's twenty-year high of 7.2 per cent. Slower growth resulted both from a reduction in fiscal stimulus (as the increase in the budget deficit slowed down markedly) and a sharp deteriora-

[Sh. Ram Singh Yadav]

tion in the external balance, caused, in part, by the high level of the dollar. The current-account balance of the United States, which had gone from a surplus of $1.9 billion in 1980 to a deficit of $102 billion in 1984, went to a deficit of $128 billion in 1985."

So, the Amercian Budget is short by 128 billion Dollors in the year 1985! What do we talk of Rs. 5688 crores of deficit in India the second largest country in the world?

[Translation]

I would like to submit to the hon. Minister of Finance that in this age, deficit Budget is a sign of development. Besides, if the internal borrowings and external borrowings are utilised in the commodity sector instead of the service sector this deficit Budget will lead the nation towards progress. There was a misgiving earlier that deficit budget will bring inflation, rising prices and weaken the economy. But it is no longer true in the present new age and thinking.

I would like to submit to the hon. Minister that if you mobilise resources for the priority sector like electricity, transport, communication and education and utilise the same on these sectors, it will boost and strengthen our economy. It will also be helpful to the country in its march forward. I would like to submit to the hon. Minister . of Finance that he should be cautious in this sector. Alongwith it, there is also a warning for him that at the time of preparing the Seventh Five Year Plan, the Planning Commission had stated that during this five year period i.e. upto 1990, the deficit should not exceed Rs. 14,000 crores. The Planning Commission had mentioned it in its Report. In these two years, your total deficit works out to be Rs.12,800 crores and including the present year's Rs.5,688 crores, it will come to about Rs.18,000 crores. If this pace continues, the total deficit will be Rs.30,000 crores by the end of the Seventh Five Year Plan. You have to take care of it and check it during the coming years. If the deficit goes on increasing at this pace, it may pose a great threat to our economy. Therefore, we should think and consider about it.

I want to thank the Prime Minister for setting up a Cabinet Committee which would find the ways and means to reduce the expenditure. In this regard the first thing we need is to see how to reduce the administrative expenditure. According to the norms furnished by the Administrative Reforms Committee and values fixed for administrative expenditure, it should be limited to 20 to 25 per cent. If the administrative expenditure of the Government of a nation exceeds their limits the Government of this respective should think seriously about it and take measures to curtain the administrative expenditure. There are a number of States whose administrative expenditure has increased. Apart from this the administrative expenditure of corporations like Electricity Boards, Transport Corporations and other Corporations is 35 to 40 per cent. If the administrative expenditure of any corporation increases, it would mean that these units, corporations, boards are not viable and some control must be exercised over them. The hon. Finance Minister has a long expenditure. He used to be the Finance Minister of Uttar Pradesh. Here also he has long experience of political life. He may formulate a law to impose a limit on the administrative expenditure of all corporations or boards. It should not exceed that limit. You may please think about it and take action after giving deep thought to it.

There are States which have been given more allocations by you either through the Planning Commission or through some other methods keeping their development in view. But they do not utilise the money for the purpose for which it was allocated. The reason for this being that they do not mobilise their own resources, or create their own sources of income. As such if these States do not utilise the allocations, why do you not divert this fund to other States? I do not want to take the name of any

State. But all of you know the States which are not able to utilise the funds allocated to them through Planning Commission and Annual Plan for development work. They do not raise the sources of their own income. Therefore, there is need to bring a law for this purpose or to impose other economic control over it.

The repayment of external debt is in itself very important. Just now Shri Madhav Reddi, who is a good economist, has demanded in connection with Centre State Relations, that the share of States in the financial resources should be raised. If you have a look at the present budget and budget of the previous year, you will find that 70 per cent of central revenue is being spent on three major heads-Defence, Subsidy and Repayment of loans and instalments. I would like to know if you want to reduce the defence expenditure. Will you not like to fulfil your liabilities, repay the instalments of external loans? (*Interruptions*) Please try to understand. It is not easy to comprehend it. It is a financial matter, Please listen. You will not comprehend it easily as it is a technical matter. You want to give share to the States from Central receipts. But 70 per cent of Centre's receipts go to three heads. You cannot deny the fact that the States do not get any benefit out of it. Is defence not necessary? Will you like to reduce the subsidy being given on food, fertilisers, anti-poverty programme and other such programmes? Will you like to stop those subsidies being given on clothes or other commodities? Besides, repayment of loans is also a must, Seventy per cent of centre's income is being spent on these items. And on top of it, it is not proper to say that the Central Government does not give more share to the States out of its receipts.

It has been stated by the Eighth Finance Commission that it is the centre which is required to give assistance at the time of any national clamity which the Centre is willing to undertake.

In the end, I would urge the hon. Minister of Finance to take steps to curtail the administrative expenditure of the Centre and also the States. Besides, the expenditure should be more on the commodity sector than the services sector. You have to ensure this thing so that the production may increase. In addition to this, the most disturbing thing is decrease in exports and increase in the imports. You may also please see how to enhance foreign exchange reserves. I am of the view it will be possible only if our exports are increased.

With these words, I commend the Bill brought by the Hon. Prime Minister and I extend my full support to the Bill

SHRI BANWARI LAL PUROHIT (Nagpur): Mr. Deputy Speaker, Sir, I rise to express my thanks to the hon. Prime Minister for the Bill introduced by him. The hon. Members of the opposition hoped to create an atmosphere to show that this Government supports the big industrialists. I would like to cite an example in this context. There are 6 to 7 small paper mills in Vidarbha. These mill owners had come to plead against the increase in tax on the waste paper. They had pleaded that the proposed new taxes posed a threat to these new industries and their closure would render thousands of labourers jobless. Their representation was studied and they were granted relief. I hope that now these mills will run properly. In this way, our Prime Minister extended great help to those mini paper plants. Similarly, there were thousands of Spice packing industries in the small scale sector. These small entrepreneurs met the Prime Minister and submitted their grievances to him. The Prime Minister listened patiently to their grievances and granted them relief from the taxes. This way this Government wants to help the self-employed small entrepreneurs. This thing has been made clear.

Similarly, there were a number of appeals in regard to section 194 from the Chambers of Commerce from all over the country, who had demanded exemption. Their appeal was considered and they were given relief.

[Sh. Banwarilal Purohit]

Shri Madhav Reddi has criticised many things but all the points made by him have been replied to. (*Interruptions*) He has already admitted that he was not ready for todays discussion. Had he done his home work I think there would have been no need to give any clarification to him.

I would also like to give some suggestions about the concession granted in the Bill. You have given concession in all sectors but one sector has been left. Shri Brahma Dutt is sitting in the House and I would like to bring some points to his notice. The firm tax which was imposed on higher slab is further taxable also and in this way some people have been subjected to double taxation. You have fixed 50 per cent taxation rate for higher slab and if there are 6-7 partners in a firm and in case of higher slab, you will find that every individual will have to pay tax ranging from 60 to 65 per cent. Therefore, you should also pay attention to it. If you have given incentive to individuals, no individual should be deprived of its benefit. When you have provided protection to the big companies then what wrong have the firm tax payers committed that they have been forced to adopt other means.

Mr. Deputy Speaker, Sir, all the hon. Members would definitely agree with me on one point that after independence, there have been no shortages in our country in spite of the tremendous population growth. Today, the position of foodgrains is that we do not have enough godowns to store them. We could achieve it due to the good policy followed by our Government from the very beginning. This policy was formulated by Shri Jawahar Lal Nehru and later pursued by Shrimati Indira Gandhi and now our Prime Minister Shri Rajiv Gandhi is also following the same policy to take this country on the path of progress. I would like to make it very clear that if there is any hindrance in pursuing this policy, that should be removed and if any proposal to change this policy is received that should not be accepted.

Just now inflation was being discussed. In developing countries deficit budget is bound to be there which would result in inflation. But it is a sign of progress. Even eminent economists agree with this view and there is nothing to be afraid of it. I would like to draw your attention towards one important point. In our election manifesto it was stated that congress party would abolish octroi duty. Many times this issue has been discussed with Chief Minister. Some Chief Ministers have agreed to abolish it whereas some are not in favour of it. The Central Government should use its power to make up the loss through direct taxes or excise duty otherwise it will create hindrance in development works. We have promised to abolish octroi duty and sales tax, which we must fulfil. You have considerably reduced the taxation and in view thereof no quarter should be shown to tax evaders. The drive to unearth black money should be continued more vigorously. Whenever, there is any doubt raids should be conducted and it should be ensured that no offender is spared.

So far as the currency is concerned, we often experience acute shortage of small denomination notes i.e. Re. one and two rupee notes. Sometimes we also experience shortage of coins. Therefore, you should take steps to mint more coins and to print more currency notes. Perhaps you know as to how some people in Andhra Pradesh are misusing one rupee notes. It is a criminal offence.......

I have a photostat copy of one rupee note in which....(*Interruptions*)

SHRI V. TULSIRAM: He is saying a wrong thing. He should not say it. What is he saying......(*Interruptions*)

SHRI BANWARI LAL PUROHIT: One rupee notes worth Rs. Two crores have been distributed. A photograph has been printed on these notes. You should stop the circulation of one rupee notes there.........

Photo is printed on it. One rupee note worth Rs. Two crores have been printed.... (*Interruptions*)

Mr. Deputy Speaker, Sir, I would request the Government to enquire into this matter. Photo is printed on one rupee note. All these people know about it because they were present there. You should conduct an enquiry into it to check such illegal things. It violates the constitution of India.... (*Interruptions*)

[*English*]

MR. DEPUTY SPEAKER: You hand it over to the Minister. I do not want to take it.... (*Interrutpions*)

[*Translation*]

SHRI BANWARI LAL PUROHIT: I demand a probe into it with a full sense of responsibility. One rupee notes worth Rs. Two crores have been printed and .... photo is printed on them. A thorough inquiry should be conducted into it because it is against the constitution of India. There-fore, an enquiry should be conducted into it and stringent punishment should be given to offenders. It is our demand and we want that under no circumstances such disrespect to our constitution and the sovereignty of our country would be tolerated. After conduc-ting proper inquiry severe punishment as per the law should be given to the culprits. I say this with full sense of responsibility and Government should conduct an inquiry into it.

SHRI V. TULSIRAM: We do not deny, you can conduct an inquiry into it.... (*Interrutpions*)

SHRI BANWARI LAL PUROHIT: How can the Government of India tolerate it? Mr. Deputy Speaker, Sir, I have brought a photostat copy of the note. I am saying every word with full responsibility.

[*English*]

MR. DEPUTY SPEAKER: The Minister will look into it.

(*Interruptions*)

MR. DEPUTY SPEAKER: Is it in circulation?

[*Translation*]

SHRI BANWARI LAL PUROHIT: Notes worth Rs. Two crores have been circulated and notes worth Rs. Five crores have yet to be circulated.

SHRI. C. JANGA REDDY (Hanamkonda): Telugu Desam is ready to face inquiry.

[*English*]

SHRI MANOJ PANDEY (Bettiah) It is a very serious matter.

[*Translation*]

SHRI BANWARI LAL PUROHIT: The Government of Andhra Pradesh is doing this.

[*English*]

MR. DEPUTY SPEAKER: Let the Minister go into it whether it is a fact or not. Let him find out. Before that we cannot do anything. We cannot say who is responsible, who is printing this note. We cannot say whether it is in circulation. Let the Minister find out. If at all anybody has printed, it is against the rule. It is a criminal thing.

(*Interruptions*)

MR. DEPUTY SPEAKER: That is why I have said so. The Minister will look into it.

(*Interruptions*)

DR. G. VIJAY RAMA RAO (Siddipet): It amounts to an enquiry.

SHRI MADHUSUDAN VAIRALE (Akola): Let there be a separate discussion on this.

MR. DEPUTY SPEAKER: Let him find out. You give a separate notice for this.

(*Interruptions*)

SHRI BRAHMA DUTT: Let them take up that matter. I will get enquiry conducted in the whole matter.

(Interruptions)

SHRI BRAJAMOHAN MOHANTY (Puri): A Parliamentary Committtee should be constituted.

(Interruptions)

[Translation]

SHRI V. TULSIRAM: Instead of a Parliamentary Committee, you may set a committee formed by the Prime Minister to enquire into this matter, we are not afraid of it....... *(Interruptions)*......

SHRI BANWARI LAL PUROHIT: Mr. Deputy Speaker, Sir, in the inquiry, if the Senior leaders and workers of Telugu Desam are found guilty, their Government in the State should be dismissed because it is a criminal offence...... *(Interruptions)*

SHRI C. JANGA REDDY: There is no need to dismiss the Government. If senior leaders are found guilty, criminal proceedings should be initiated against them. Do not dismiss the Government because it would be against the constitution. But criminal proceedings must be initiated against them. Under the law there is no provision to dismiss the Government.

[English]

MR. DEPUTY SPEAKER: I cannot allow it to go on record

(Interruptions)

[Translation]

SHRI BANWARI LAL PUROHIT: Mr. Deputy Speaker, Sir, What the Government of Andhra Pradesh is doing? How that Government if functioning? You cannot be fool the public in the name of God. An actor cannot become God. The way, the Government is working there......

SHRI V. TULSIRAM: What is it you are saying?

SHRI C. JANGA REDDY: What objection have you if the people there consider NTR as God. Shri Rajiv Gandhi and Shrimati Indira Gandhi are also considered Gods...... *(Interruptions)*...... If people of that State have given votes to N.T.R. by considering him Lord Ram or God, how does it harm you......

(Interruptions)

[English]

MR. DEPUTY SPEAKER: Do not bring in such kind of remarks. I will not allow.

(Interruptions)

MR. DEPUTY SPEAKER: Do not bring in such kind of remarks.

[Translation]

SHRI BANWARI LAL PUROHIT (Nagpur): Mr. Deputy Speaker, Sir, this is the reason that a situation like this is being created. They print photographs on currency notes and distribute them among the people there. The workers of Telugu Desam Party and the State Government are involved in it. I want that an enquiry to this effect be conducted properly. You may please get it enquired into by the C.B.I. and make a thorough probe. The enquiry report should be placed before this House. It is disrespect to the country and the constitution which should not have happened under any circumstances, *(Interruptions)* As regards sales tax, there are many loopholes in Central Sales Tax due to which a lot of bungling is taking place in the Central Sales Tax. *(Interruptions)* I would like to draw the attention of the hon. Minister towards the Central Sales Tax. In the branches of the companies, the entire tax is being evaded in the name of consignment transfer. The Government does not receive tax on those consignments. You may please consider it. On the one hand you are giving concessions in taxes and on the other hand people are evading tax. In this way the Government do not realise any tax. In order to realise this tax properly, you should plug these loopholes.

In the end, I want to suggest that as far as the question or repayment of Rs.70

crores is concerned, you should enhance tax on liquor. If you enhance tax on liquor, nobody will raise any objection. It is also a public demand that tax on liquor be enhanced. This will help you in meeting the requirement of Rs. 70 crores. I would also suggest that the exemption limit of tax be raised to Rs. 25,000. Prices have risen and salaries have increased. If you do not give exemption up to Rs.25,000, it will cause hardship to people. This is a major demand of the public. It is my submission that you may please consider it.

I thank you once again for presenting such a fine Finance Bill.

[*English*]

DR. A. KALANIDHI (Madras Central): Mr. Deputy Speaker, Sir, at the outset, I express my thanks for having given me an opportunity to participate in the discussion on the Finance Bill. I am really happy to note that our young Finance Minister who happens to be the Prime Minister of this country, has accepted and appreciated some of the suggestions made not only by the Members of the Ruling Party but also by the Opposition Members. Though many of the suggestions were left out, few of them have been considered, probably it is customary for the Government to consider whatever suggestions or views which are suitable for them and they were accepted but those which are not suitable were ignored. I am really happy to say that my Party, the D.M.K. Party, always appreciated whatever is good done for the people of the country and whatever is done in the interest of the country and for the welfare of the people of this country. On that basis I welcome those measures.

Sir, the withdrawal of Sections 194 (E) and 155-J of the Income-tax act are really welcome measures. My previous speaker mentioned about the tax eavders should be punished if they are found guilty. There cannot be any second opinion about that.

Sir, raids are conducted by the Enforcement Directorate and there are news items that Rs. 200 or Rs.300 crores worth of currencies and other documents were seized. But how much worth of money is returned to the parties is not mentioned in the news papers, nor they are brought to the notice of this House.

Sir, the excise duty on cement industry including the small plants is a welcome measure. The excise duty exemption is boon to the industry. The excise duty exemption on hand-processing cotton fabrics are also to be appreciated. Reduction on excise duty on wool and wool products of export orientation is also quite appreciable. But here I am worried about one thing. You are giving concessions on wood products and cement whereas the State Government have put additional duties on cement and wood products, as a result of which the building construction becomes costly and the whole activity comes to a standstill. So, you should pressurise the State Government also not to impose additional sales tax on the products which are given expemtion by the Central Government. Then only the idea will gain momentum. Otherwise the purpose gets defeated. So, I request the Central Government to prevail upon the State Government to see that additional duties are not put on the cement, wood and wood products.

Unfortunately nothing has been mentioned about the viscos filaments and viscos staple fibres. The Prime Minister has given many concessions, but he has not mentioned about this. We have got one factory at Sirumgon named Southern Viscos Ltd. in Tamil Nadu, which faces lot of hardships due to the sudden increase in the excise duty. I only request you not to remove the excise duty in toto but to restore the *status quo* existing prior to the budget.

Textile machineries are given certain exemptions by the Prime Minister, but unfortunately nothing has been mentioned about the handloom industry. I only request the hon. Prime Minister to give a second thought to giving concessions to the handloom industry which really needs some helping hand from you.

[Dr. A. Kalanidhi]

The Prime Minister has mentioned about the excise duties on glues which are used in the plastic industry. But nothing has been mentioned about the glass industry. The excise duty on float glass is very much, as a result of which 600 small glass units in Tamil Nadu are suffering. So I request the Prime Minister who happens to be the Finance Minister also, to reduce excise duty on float glass.

About life-saving instruments, I mentioned during the general Budget debate also that while appreciating the exemption on life-saving instruments, similar exemption should be given for sophisticated diagnostic instruments because early diagnosis can only save a patient. So, I request the hon. Finance Minister to reconsider and try to bear in mind that some of the instruments essential for the diagnosis should also be given customs duty and excise duty exemption.

The previous speaker mentioned about the salaried circle. The salaried people are the honest tax-payers in the country, but their genuine grievances are not redressed by this Government. The hon. Prime Minister said that some of the suggestions which have the merit will be considered, but here this has been echoed all over India, but never taken care of by the Prime Minister. Hence I request the Prime Minister to raise the income-tax exemption limit from Rs.18000 to Rs.25000.

This morning my friend, Mr. Kolandaivelu belonging to AIADMK has mentioned during the Question Hour that only Rs.360 crores have been allotted this year by the Centre, whereas the Tamil Nadu Government has already spent Rs.751 crores last year. Hence I request the Government to allot more so that the State Government need not come with a begging bowl to the Centre. There should not be any partiality between a Congress (I) ruling State and a non-Congress (I) ruling State. In this connection, one example which I want to quote is, the Calcutta Metro was allotted Rs.70 crores whereas the Madras Metro was allotted a paltry amount of Rs.4 crores only. While the Calcutta Metro surrendered last year Rs. 17 crores, the Madras Metro has completely utilised the amount and for want of funds they are retrenching the labourers. Hence I request the Finance Minister to allot more funds for Madras Metro so that the project can be implemented or completed in time.

About the ethnic problem prevailing in Sri Lanka, which is posing a danger to the security of the country, the time has now come to implement the Sethu Canal Project immediately so that the Southern States can be protected from the forthcoming danger from Sri Lanka.

Quite a huge amount is spent for cleaning the Ganges. I come from Madras city where we have Cooum river and Buckingham Canal which spoils the beauty of the city, but which can serve as inland water transport and avoid commuters' problems. Hence I request the Government of India or the Finance Minister to take up this project and make the inland water ready for transportation.

15.00 hrs.

There are many thermal plants which are requested by the State Government to be cleared as they are pending at the Central Government. I request the Finance Ministry as well as Industry Ministry that both the Ministries should join together and clear some of the projects so that enough number of thermal projects can be started. In the industrial sector we are far behind. I request the Minister to reconsider these projects so that Tamil Nadu once again can come to the industrial arena. Earlier, of course, it was No.2 State in respect of industry.

Finally, I would like to mention about the fact that lot of industrial licences have been kept pending. They should try to clear the pending licences for the Government of Tamil Nadu so that they can start industries in a better manner so that, we can also compete with States like Gujarat or Maharashtra.

Finally, before winding up my speech, I would like to mention about the drought that has affected the State of Tamil Nadu, particularly the districts of Ramnad, Madurai, North Arcot, South Arcot and Madras City. The Madras City is in acute scarcity of water. In the morning also, I have mentioned it under rule 377. They should try to take some sort of steps. During the emergency, because of political motivation, Veeranam Project has been shelved down. I do not want to go into the details of this matter and politicise it. At the same time, the present Tamil Nadu Government has got a new project by name Telugu-Ganga Project and a huge amount has been spent by the Tamil Nadu Government. Nearly Rs.40 crores have been spent. Now, Andhra Pradesh wants a little more. But at the same time, the Union Irrigation Minister is not giving permission for the project to be implemented. So, the fight is going on between the Government of Tamil Nadu and the Government of Andhra Pradesh. So, the Centre should intervene immediately for looking after the welfare of the people of Madras City and come forward to clear the project immediately and also allot more funds to the Government of Tamil Nadu for the people of Madras City so that they can dig more keep bore wells and purchase more equipment and the people of Madras City need not go out of the city. There may be a situation coming up now to vacat Madras city. I would, therefore, request the hon. Finance Minister to allot more funds at least for Madras city, at least Rs.30 crores, to dig more deep bore wells and to get away from this water scarcity.

Thank you very much for having given me time.

SHRI HAROOBHAI MEHTA (Ahmedabad): Sir, at the outset, I congratulate the hon. Prime Minister on reaffirming the faith in the direction of economic development laid down by Pandit Jawaharlal Nehru and Indira Gandhiji. It was in the '70s that the late Prime Minister, Shrimati Indira Gandhi told the nation that imperatives of growth would have to be reconciled with the requirement of social justice. This Budget and the Finance Bill which has been introduced to give effect to the budget proposals precisely want to achieve that. Growth with social justice is the aim that is sought to be achieved by the Budget and through this instrument of Finance Bill.

15.04 hrs.

[SHRI ZAINUL BASHER- *in the Chair*]

I may point out that it is this precise declaration of the Prime Minister, reiteration of the commitment to socialism, that has perhaps upgraded the position of India in the hit list of the greatest international terrorist State, which is known to all of us, as the great imperialist power. That is why, destabilisation efforts are now on a spurt in India. The great virtues of the Finance Bill are these, namely, they want to ensure the growth of capital goods industry and at the same time strengthen the anti-poverty measures. There is a thrust over the distribution of the benefits of growth and that is sought to be ensured by this Finance Bill. However, there is a lot which is required to be done. Our Constitution declares that our economic scheme should be so operated that it shall not result into concentration of control and ownership of means of production in a few hands. I understand the situation. At the moment, we have to work within the parameters of the compulsion of mixed economy. But nevertheless, an effort should be made to ensure compliance of the Directive Principles of our Constitution namely, that the economic system is not so operated which would result in concentration of wealth and of control and ownership of means of production. Without this, it will not be possible to achieve the goals of socialism.

I must point out one more thing. I want to alert the Prime Minister and the Minister of State for Finance who is present here that let not difficulty in recovery of taxes prove an Achilles heel of our finance. There are many problems of

[Sh. Haroobhai Mehta]

recovery. You must have estimated certain income on the strength of Finance Bill but you would be knowing that there are certain economic traitors functioning within India who are trying to sabotage the economic proposals. They evade the taxes contained in the financial proposals solemnly passed by the Parliament. They go to the court. They obtain stay by way of interim relief against recovery of revenue. The Minister of State for Finance is quite aware that about Rs.2,000 crores of indirect taxation revenue is bogged down in courts on account of interim orders of courts. In one of the judgments, Gujarat High Court has said that deficit financing is one of the worst forms of taxation and that has to be resorted to on account of interim relief given by the court and sometimes by the judgments given by the court with the result that it might help the vested interests. What is the position regarding indirect taxation? Take Excise and customs, particularly Excise. Manufacturers collect indirect taxes from the consumers. It being an indirect tax, they go to the court and obtain stay. The stay may be in force for five years. In the meanwhile, they are utilising the amount of crores of rupees of amount collected from the consumers by way of indirect taxation. Even if they ultimately lose in the court, by that time, they will have utilised the amount in their business. You have already amended Central Excise and Salt Act, 1944, and the Customs Act. You have established the Appellate Tribunal to decide Central Excise, Customs and Gold Control cases. However, you have not utilised the power given by the Constitution vide Article 323B which provides for the powers of Parliament to exclude the jurisdiction of the High Court and the Supreme Court in taxation matters except the jurisdiction under Article 32. Article 136, jurisdiction of the Supreme Court which provides for appeals with special leave, can be excluded. Similarly, High Court's jurisdiction under Articles 226 and 227 can be excluded. When you have already set up the tribunal, when the Constitution empowers the Parliament to pass a law excluding jurisdiction of courts including the High Court and the Supreme Court, to that extent, why should we not utilise this provision, that is, not to allow tax matters being carried to the courts at the cost of public exchequer? This is one important point which the Government must seriously consider. Otherwise, the recovery will prove, as I apprehended, to be an Achilles heel. This is one more thing I want to point out in our economic programme.

I was very happy to listen to the Prime Minister announcing in the House that measures against tax evasion will be pursued and pursued vigorously. I am sure that tax evaders will be dealt with as if we are dealing with economic traitors and in that, even if somebody is a newspaper magnate, he will not be spared. I am surprised to listen to the fact that a newspaper owner, an industrialist, had retained Rs.3 crores of tax amount and obtained stay and utilised the amount for his business for several years. These are the things indulged in by the industrialists who try to utilise newspapers, to sermonise to the nation. They try to evade taxes and, therefore, they should be dealt with as economic offenders.

One concession was announced by the Prime Minister today. I have got certain apprehensions in that regard. It has been announced that the loans advanced to shareholders holding less that 10% of the shares will not be covered by the amendment proposed by Clause 3 of the Finance Bill in Section 2 of the Income-tax Act. Some questions arise from this. Take the example of Express Group and the share of Goenka therein.

Mr. Goenka, though he owns the Indian Express, does not have more than 10 shares of Rs.100 each. Only one thousand rupees worth of share is owned by Shri Goenka in the Indian Express. Now, he will also be able to take advantage of this concession. Therefore, atleast the Directors those who control the big companies even without holding 10 per cent of the shares, should also be covered under this net.

Otherwise, they will be able to take advantage of the concessions not meant for the higher ups or the vested interests.

One more thing I want to point out is this: Our nation suffers from inequality. It has a direct relationship with our national integration. We cannot achieve full national integration without removing the economic disparities. Unequal education, unequal employment and abundant poverty, will make our democracy, in my submission, a mockery. We have no choice in India but for designing and developing our economic structure in a manner so as to reduce the blackmoney and equalise opportunities and do away with the exploitation within a limited span of time. We have got three years more - I mean this Government - before we go to the election. We should ensure that we take all steps in the coming years so as to reduce disparities because economic disparity and regional imbalances are subtle detractors of national harmony. I know what happend in Ahmedabad and what happened in other places will be better known to the Members of Parliament concerned. Vested interests take advantage of the prevailing prejudices and beliefs - religious prejudices of course - and the resulting tensions, they take advantage then for economic gains. In one place they take advantage in acquiring the property - the immovable property-disposed of by the frightened and migrating people and at another place they try to take advantage of the trade unions and disturb the communal harmony. At another place, they try to arouse passion in order to win power - whether it is at the local level or at the State level.

One more evil which the Government has to eradicate by vigilantly pursuing is the eradication of blackmoney. One of the sources of generating blackmoney is the real estate. As has been estimated by the National Institute of Public Finance and Policy, the sale of 5202 houses in Delhi alone gave rise to black income ranging from Rs.119 crores to Rs.250 crores. In Bombay about 569 houses - minus flats-gave rise to the generation of about Rs.12.5 crores to Rs.36 crores of black income. In Madras - otherwise known for a very distinguished culture - the sale of about 13550 houses resulted in the creation of blackmoney to the tune of Rs.678 crores. So, the real estate is one of the major sources of generation of black-money. I, therefore, congratulate the Government for taking a very important measure. That means the readiness. Under the statutory power to purchase the immovable property at the price mentioned in sale document. I know that the Supreme Court is coming in the way. There is some stay. We should vigorously pursue this measure so that the real estate, as a source of generation of blackmoney, is appropriately dealt with.

I now come to the textile problem. Textile mills and the Textile industry are suffering a lot on account of certain situations, reasons of which may not be quite clear to all of us. There are about 117 textile mills controlled by the State. 808 mills are run by private parties. 86 mills have been closed in India. In Ahmedabad alone about 23 mills have been either closed or under semi-closed condition. Six mills have been started, thanks to the Government of Gujarat by spending about Rs. 50 crores and the Prime Minister for giving clearance to the nationalisation of our textile mills in Ahmedabad. We have been able to resume employment opportunities in about six textile mills. Of course, it is also benefiting workers employed in other textile mills also. But there are some private textile mills which are being closed one after the other. More often than not, the management is responsible for the closure of these mills. But, nevertheless, it is a problem which the society is facing. About 50000 workers in Ahmedabad itself are unemployed with the result that we are suffering not only economically but also that the communal tensions and disharmony are aggravated on account of economic difficulties in Ahmedabad. I would request my good friend Shri Brahma Dutt and the government through him to kindly come to the rescue of the textile industry in Ahmedabad and other places in order to ensure resumption of its functioning and thereby ensuring the employment opportunities to the workers. This is the

[Sh. Haroobhai Mehta]

occasion where I cannot but express my deep sense of gratitude to the Government of India and especially to the Prime Minister for sanctioning and for according approval, from the environmental and ecological point of view, to the Narmada Project which is our lifeline.

7000 crores worth of Narmada Project work is restored and Gujarat will be able to solve the problem of not only irrigation but also drinking water, power supply to a great extent. I, therefore, express deep sense of gratitude on behalf of the Gujarat people to the Government and I am sure that this approach to the development of our State will continue. Those States who are not quite sympathetic to the Government of India's policies should also take a cue from this, namely, that Government of India is always ready to help the developmental efforts of the State provided it is appropriately worked out within the parameters of the Central Budget.

Sir, there are some problems where I would solicit the Government's further sympathetic approach. One is Entry Tax. One of my good friends referred to the abolition of Octroi. At least Gujarat has taken a step in abolishing Octroi. Undoubtedly, local authorities did have some apprehension in the matter of Octroi and its replacement by Entry Tax. But, the Government assured to the Corporations and Municipalities about the continuance of their financial resources. The Gujarat Government has proposed to the Central Government for approval of Entry Tax Bill so as to replace Octroi Bill. My friend Shri Brahma Dutt will listen to me. The Entry Tax Bill is awaiting for the administrative approval of the Central Government. The Chamber of Commerce and Industry have requested the Government, the Gujarat Chief Minister has also requested the Centre and I may also join in requesting the Central government to give at once the clearance to Entry Tax. If there are any legislative problems the same, can be sorted out. But let this matter be solved as early as possible.

Sir, we also want to make one grievance. That is, in the matter of price of gas. The price of gas supplied to Gujarat is much more compared to the price that is taken from the North-Eastern States. I understand that backward regions have got to be specially assisted in order to remove or take care of regional imbalances. But, nevertheless, Gujarat also is in a way of industrial progress and the rate of acceleration of industrial progress in Gujarat is better even than the rate of acceleration of industrial growth in the United Kingdom. Let Gujarat be helped by properly devising the price structure of gas for industrial fuels.

Similarly, there are some other problems of Gujarat which are pending. One thing I must point out before I conclude is that one particular clarification on account of revised investment pattern that is in the matter of the provident fund collection. Gujarat is suffering. We have submitted to the Government that in the revised investment pattern of PF etc., the small savings collection will be affected. The provision now is that 85% of the PF contribution is required to be invested in National Deposit Scheme introduced by the Government of India and 15% in Central and State Government securities. On account of that we will have to suffer a major dent in small savings. We are making humble efforts in mustering small savings. Why should Central Government not help us by trying to modify, by trying to restore the original investment pattern? With these words, Sir, I again support the Prime Minister's commending the Finance Bill to the Parliament. I am sure, that under the leadership of this Prime Minister, India will chalk out a very successful course of development.

SHRI G.L. DOGRA (Udhampur): Mr. chairman, Sir, I am grateful to you for giving me this opportunity. Sir, I congratulate the Prime Minister and Minister incharge of Taxation for making the announcement that was made this morning. Sir, there were various irritations in the tax proposals contained in the Finance Bill and people were really upset about it. Excepting one thing which has been pointed out by the predecessor speaker that probably certain concessions may be misused by big barons. He would probably look into that aspect. But on the whole the announcements made are very good. They are not going to reduce the tax collection, they are going to enhance it and get more money.

It has been the experience both in the States and the Centre that if you have tax laws whose implementation is very soft which does not pinch the people very much and their working is smooth, you get more money. The rates should be reasonable and restrictions should be as little as possible. Harassment always leads to non-payment of tax, people avoid paying tax. If harassment is not there, people would like to pay tax and have white money rather than black money. That is one thing which should always be kept in mind and whatever relief was given this morning is in keeping with this principle. Therefore, I congratulate both the Prime Minister and the Minister in charge of taxation. This is a very nice step.

References were made to divisible pool and said that the Central Government is not very fair, is rather selfish and is not distributing money to the States. The gentleman who made this speech has probably forgotten the history of resources as were shown in the Constitution as to what are the Central sources of revenue and what are the States sources of revenue. They are divided and certain sources of revenue are kept in the joint pool. The whole Central pool is not divisible. There are only certain sources of revenue, the yield from which is divisible between the Centre and the States for which every five years a Finance Commission is appointed to see how they should be distributed, though the verdict of the Finance Commission is not binding in its character. In the history probably it was only last time that there were some variations made. Otherwise their recommendations are always accepted in toto.

Our Minister in charge of taxation was in U.P. as Finance Minister and I had been doing the same Job in Jammu and Kashmir. We have the experience of Finance Commissions. The Finance Commission always favoured the States. They were the people like ex-Chief Ministers and I think previous to the last time Mr. Brahmananda Reddy was the Chairman of the Finance Commission. He was very very kind to the States including my State and we had to argue our case. The pool which is divisible by the Centre has to look after not only States which are progressing very much, which are spending and squandering money like anything by being charitable; but also the States which are backward, which are hilly, which have been cut off and which are vital part of this country. We should not forget that. It is the duty of the Centre to see that the economic backwardness, social backwardness and political backwardness of these States are removed.

From where have they to spend money? The Centre has to spend money. What should we prefer? When we come here, we have only our State in mind and say whatever our party has directed us to say and we carry on propaganda on those lines. Do we have the feeling that we are Indians and we owe our duties to those unfortunate areas which have been cut off, which remain in accessible whose people cannot reach us?

If none else, the Centre has to do that duty and Centre cannot forget that duty. Other things will come afterwards. Whenever there is a drought there is noise in the House. Whenever there are floods hudge demands are made. That is not the duty of the Centre. Its primary duty is to see those places which are backward. It is giving money in natural calamities and those who get these resources have they ever mentioned that the Centre is going out of the way to help them. We try to look very nice and we do not mention this. So, you see the unpleasant duty that the Finance Minister at the Centre has to face. He has to look after those who are full of in gratitute. He has to feed a cow which instead of giving the milk only kicks. It is a very unpleasant duty and the beneficiaries keep on crying that you are misbehaving.

SHRI C. MADHAV REDDI: The milk is dry.

SHRI G.L. DOGRA: That has become the system of the day. People get money from here and spend like anything but when some people point it out people crying stopes start saying that you cannot touch the State Governments. You cannot disturb them. You cannot criticise them. If they are Congress governments then they are open to all criticism. We have to remove this sort of imbalance in our thinking if we want the country to progress as a whole.

I think everybody is equal and patriot. I do not question them that they deliberately do it. But we become so sentimental and involved in our own affairs that we forget that we are Indians and if we go on thinking in this way then we will not be able to generate peace in this country.

You know how we achieved the freedom of this country. Many of us were not young enough not to know it. Afterall most of us have participated in the freedom struggle. Most of us have played our part. May be today we belong to this party or that party. Some of us have also served in a different way like Mr. H.M. Patel. He was also serving this country. Everybody has played his patriotic role in this struggle and after this struggle what do we see. We see the imbalance in development. We find various movements and that too on our very delicate borders. You may go anywhere. In Bengal you have GNLF movement where they say they are Nepali citizens. You have movements even in the Eastern States. There is a movement even in my State where people are raising their heads. They are raising different slogans. Why? How that is happening? Sir, Ladakh remains cut off from the rest of India for six months. Our armed forces are also living there. All of them remain cut off from the rest of the country for nearly six months. The other day we were discussing the radio station and its employees. The employees don't want to stay there on one pretext or the other. They stay very little then, they go from here. Whatever may be the hesitation, you have to prepare the local people to take over those responsibilities and they have to work there. For six months, probably the radio station is the only source of information by which they remain connected with the rest of the world. Hours of broadcast are less. There are other places also, Sir, even in your State and the area which is represented by our Finance Minister. You see those hilly areas. What have they seen of free India? They are claiming that the areas are being developed. But actually the hilly areas are being ignored. Nobody is going there despite several announcements made by the Prime Minister. It is said that every girl will get education up to 12th class. But education presupposes a school, teachers, school building, etc. Then there should be a dispensary at least for school staff. Suppose if a girl from hilly areas of Finance Minister's Constituency asks him that she is not entitled to the benefit out of the announcement of the Prime Minister, then how will you give her free education? Somebody has to function. She has to be kept in Lucknow or at some other place where other girls are being educated. But this is not being done. For establishment of the school, they say, the resources are not there. Where are the resources? You say that the Centre has taken the resources. Resources have been given away by the various Commissions. They have been distributed. It is only the basic finance by which they can do something. I was astonished to see a speech of the Prime Minister where he says that deficit will not increase. Without increase of deficit there will be stagnation. If you don't do anything for creating infrastructure and productive projects by deficit financing, then you are not able to do anything new. If you borrow resources from outside, You will be indebted to the foreign banks, to the foreign nations. You cannot do anything else. Like Southern America, your position will be very very delicate. Therefore, these things have got to be thought about properly.

Sir, another thing I would like to say is about price level. Prices are soaring. Prices are fluctuating. Both the things are bad. I have been making this statement again and again that prices in this country will always be determined by the prices of foodgrains. Every six months, the Government raises the prices of foodgrains. Even then the man who produces the foodgrains is weeking and the man who eats the foodgrains is also weeping. Mr. Brahma Duttji, you have to formulate a policy. You have to guarantee a decent profit to the producer. You have also to ensure the inputs at a fixed price. Whatever subsidy you give, you give on the inputs. Once you are able to stabilise the prices of the foodgrains, I assure you that you will be able to stabilise the prices in all the sectors. What does your labour and their families eat? They eat only foodgrains. Every six months you raise the prices of foodgrains. They go on rising. The price of everything goes on rising as the wages rise. The farmer says that my prices are much less compared to the prices of industrial goods.

The industrialists say that they cannot help it because the cost of labour is going up. This is a very intricate problem. This is not a problem faced in any other country. We try to follow the western pattern, the British or the American pattern with regard to our economy. Both these patterns are not suitable for us. Those people see things through books only, they do not use their brains. Our economists have not come from the people, they have not come from the families of rural areas, they have not come from the hilly areas, they have not come from that strata of the society, which matters and who should get the real benefit. They are not the sons of a small or marginal farmers, so that they could see and appreciate the problems in their true sense, and then think of solutions. That is not so. Therefore, you have to see those things in our own context. I think, the solution is not very difficult. Certainly a person who has come from the masses can think of its solution. You have come from a backward area, you have functionised in a State which is a big State. Therefore, you can appreciate these problems and I hope that aslong as you are there, probably you may be able to find some way to come out of it. some way to come out of it.

I must tell you that unless the prices are stabilized, there will not be peace in the country and unless there is uneven economic progress in various areas, among various strata of the society, particularly weakers sections remain discontented, there cannot be peace in the country. We are a democratic country and whatever may be your party, you have to keep in mind the betterment, the welfare of the poor man, of the common man. Anything which does not help the common man is not acceptable to the people in a democracy. Therefore, you must start thinking on those lines. This is how Panditji used to think and Shrimati Indira Gandhi used to think and today that is what you have to do.

It is true that we are after technology and we want to capture the international market, but you cannot do it by ignoring your own market, ignoring your own people. If you capture the international market, that may benefit you to some extent, but unless your own market is stabilized, your economy cannot be stabilized. I do not say that you do not look to the international market, but you must stabilize your own country, your own economy and your own market. Whichever may be the State, whichever party may be ruling any State, our economy is common, our life is common. We have to live together. If we do not live together, if one part sinks, other parts cannot survive. We have got to look to this. Getting debating points by one party over another party is not going to lead us anywhere.

So far as the administered prices are concerned, the question is whether we are running the industries, the produce of which we are selling at the administered prices efficiently or not, are earning real profit or not. They say that they are not running efficiently, most of them are running at a loss. These industries need money to improve their functioning. From where will they get that money? - You want to take away money from them when they themselves need it and are already suffering. What will they give you? How

[Sh. G.L. Dogra]

much money will they give ? Just 15,000 crores! They say that this is the amount that they get through the administered prices. The price is increased, but that does not necessarily mean that there is profit.

So far as the oil industry is concerned, it has its own problems. It has to spend a lot on oil exploration work and on new wells. Therefore, they need money for all that. Whatever, they save out of the sale of the oil is not their profit, they have to spend that on exploration work but we say that it is their profit. This is a misunderstanding.

Sir, the Sarkaria Commission will take its own time to finalise its report and we shouldnot grudge it. But, at the same time, I think, Shri Brahma Dutt should see that Finance Commission is appointed in time and its report comes in time so that there may be no room for any grudge. And if Sarkaria Commission gives a different report, it will have to be processed in Parliament or in any other way. Therefore, the Finance Commission should not be linked up with the Sarkaria Commission. I do not think if a new method is adopted as far as the yardstick for measuring the growth rate is concerned, one should grudge it.

I do not want to take more time of the House as there are other matters to be discussed, but I should say that special attention should be paid to our border areas; by border areas I mean China, Pakistan and Bangla Desh. Sir, it is the machine of the modern type that counts an our Defence Minister quoted Pandit Nehru, who said, "Man behind the machine also counts, but more than that count the people who stay in those border areas". We have no sinister design against any country. We do not want to attack any country. But, at the time of an outside attack, we have to defend every inch of land and it is the civil population which has finally to resist the enemy. Will resist it only when they have a love for their home and hearth and when there is a feeling that they should defend their motherland. So, there should be a good contact between the armed forces and civil population. Sir, it is the special duty of the Central Government to see that they are able to bring together the local administration, the armed forces and the civilians. At the same time they should also see that the development programmes meant for these border areas are implemented to the satisfaction of the people. All those beneficial things which the State and the Central Government are doing should be done in an adequate quantity in those border areas. Our border areas have been ignored since the time of the Britishers and they are still not adequately looked into after independence. Pandit Jawahar Lal Nehru was kind enough to develop Border Roads Organisation to serve the north-eastern areas of the country. They have done a lot, but whatever they have done is not adequate. My request to the Minister is that he should allocate more money for the development of border roads so that they may be able to link those border areas adequately with the rest of the nation.

Then alone their development also will be quick. Lenin once said that roads and electricity are the two things which determine the progress of the backward areas. Therefore, these two things should be carried to those who are living in the high hilly areas and in border areas. I hope that the Government will look into these things. I suggest that the Government should spend more on these three important aspects, i.e. infrastructure, productivity and social services. You should not grudge spending more money on these things even if it leads to some increase in deficit.

SHRI H.M. PATEL (Sabarkantha): Mr. Chairman Sir, I rise to participate in the discussion on the Finance Bill. At the outset I would like to make one or two general observations. I agree with the point that Shri Madhav Reddi made yesterday and I suggest that some change may be made in the practive that has obtained so far in regard to the Finance Bill.

The Finance Minister announced various modifications in his budget proposals. And it is expected that the debate should proceed immediately thereafter, leaving no time to appreciate and evaluate the effect of those changes on the main budget proposals. I feel that some time should have been made available between the announcement of these changes and the discussion or the debate that might follow on these proposals. This is a matter of some importance and I would submit that it may be given serious consideration. I think our Constitution contemplated formalisation of procedure in regard to these matters. We have never done it. We have followed certain conventions and gone on. But as you see, this morning the Prime Minister decided to make various changes in his proposals, as a result of consideration of various representations, discussions and so on. Those are valuable changes. Some were undoubtedly significant changes. But, those who wish to speak on these changes in the budget proposals do need some time to absorb them and come forth with some suggestions or comments about those changes.

The second point that I would like to mention is really of great importance. To my mind, it is of significant importance. How many Ministries' budgets and demands for grants were discussed in this House? And how many were not discussed? There were twenty Ministries whose budgets and demands for grants were not discussed. Indeed, even the Defence Ministry's budget involving an amount of Rs. 12,000 crores would have also been guillotined, had the matter not been raised and the Prime Minister as a special case found time for it. But still 20 Ministries were not discussed. Are they trivial Ministries of no consequence? What are these Ministries? One is Ministry of Commerce. I am sure, you will agree with me that this is an important Ministry. The Ministry of Communications, the Ministry of Industry and the Ministry of Finance itself, are some of the Ministries whose demands, for grants have not been discussed. In fact, the Ministry of Finance does require a discussion. We do not have it. There are great many matters which need to be considered. But in fact, for years the Ministry of Finance has never been discussed. The other Ministries which have not been discussed include Environment and Forests, Health, Food and Civil Supplies, Family Welfare, Parliamentary Affairs, Personnel and Public Grievances and Pensions, Planning, Programme Implementation,. Science and Technology and Steel and Mines. I think, some way must be found to see that all Ministries Demands for grants do get considered. It cannot however, be as things are. I quite understand that the House cannot find time for all these Ministries. But, the Committee method could be adopted or some other may be found. But whatever may be the method, I do submit that the Government should give serious thought to this matter, and see to it - I think the House of Commons had found and had made some attempt at this that these matters may be referred to certain Committees. For the moment I would urge that this matter does need serious consideration.

SHRI HAROOBHAI MEHTA: Mr. Chairman, with profound respects to my senior colleague will he also kindly point out the role of the Opposition in demanding various discussions on non-issues and diverting the time of Parliament from this Budget discussion?

SHRI H.M. PATEL: I may leave it to my hon. Member to draw his own conclusions. He has not taken this suggestion in the spirit in which I have made it. It is not because of the fractious manner in which he suggests that the Opposition functions, that this problem arises from many different points of view. It must be assumed that the Opposition will also go into these things in a constructive manner. But there are all types of Members in the House consisting of 500 Members. There will be some who will approach the problems in a certain way and there are others who will approach them in a different way. I leave at that, Mr. Chairman.

Then, I would urge that the Finance

[Sh. H.M. Patel]

Minister might even, at this late stage gives serious consideration to this suggestion, which many Members from both sides of the House have made, that is, the exemption limit for Income Tax should be raised. It is justifiable. This suggestion is fully justifiable having regard to the extent to which there has been a general rise in the cost of living. It cannot be denied. No one can question that. The manner in which various instalments of Dearness Allowances have had to be paid; the way in which the Fourth Pay Commission has found it necessary to revise the salaries in a very significant manner all these indicate clearly how the prices have rise and how greatly it does affect the people. It seems to me that the Income Tax exemption limit should be raised and if the Income Tax Department feels that their revenue will go down, I suggest that they might run their whole organisation a little more efficiently. I would suggest that they should study the Audit Reports with care and the PAC Reports also with care.

I would show here, today, there is a PAC Report which has reported on this matter, as follows:

> "Income Tax Act not being implemented effectively".

This is with reference to immovable property which the Department of Income Tax has seized and the PAC noted with concern that "the provisions of the Income Tax Act regarding attachment and sale of the immovable property of the defaulting assessees for recovery of tax demands were not effectively invoked and implemented". For years, the immovable property that is seized remains just seized. No action is taken in regard to those properties.

I think, having regard to the thousands of attachments that have been made and then nothing further has been done about it , if only effective steps were taken in regard to them, I am quite sure the Income Tax Department would be able to raise far more money then they would considerably lose as a result of raising the Income Tax exemption limit. This is a suggestion that I am putting forward for their serious consideration.

The long-term fiscal policy has been followed, and I would certainly say that the Finance Minister deserves to be congratulated on continuing that policy. But the long-term fiscal policy does not mean that it applies only to direct taxes. It was expected to cover indirect taxes and they are also of very great importance. The manner in which indirect taxes continued to be changed and modified is a matter of very great concern. At times it appears that changes are made quite arbitrarily. Changes are made, and the general public is not told the reasons why these changes are made. The changes made have a very serious effect, either on the individuals if they are concerned, or on the industries which may be concerned.

For instance, I know one case, viz. of marble and granite. The end-use of both is the same. Yet you would be interested to know that there is a duty imposed on one, and not on the other. The effect of such discriminatory attitude can easily be imagined. Why should it be done? Yet, on both these items the Customs duty is the same. What arguments have prevailed one does not know. It may be that the two items have been categorized in different ways for Excise and Customs purposes.

Whatever it may be, I give it as one small illustration. It seems to me that the Excise authorities should approach their task in a somewhat more considerate manner. In great many cases, interpretations differ from Collectorate to Collectorate. Sometimes they completely contradict each other. One accepts an interpretation and gives effect to it, which is very widely different from another Collectorate, which takes a different view. Why should it be so in the same country? The Central Board of Indirect Taxes should surely see to it that such differences are removed at the earliest possible moment. This is one very important example of the manner in which the Excise Department functions.

There was a reference made to the interests of the State Governments and those of the Centre. References are all the time being made as if the Centre can flourish and prosper, without the States. The States are as important for the effective functioning of the Centre, as the Centre's considerate management is necessary for the states. The two are part and parcel of the same total body. Today, we seem to be looking at the two, as if their interests are opposed to each other, and that there can be confrontation between them - whereas the fact is that the States cannot prosper if the Centre suffers; and equally, the Centre will centainly not prosper if the States are weak. Therefore, it is important for the Centre to consider sympathetically what troubles the States, just as the States should realize that the Centre cannot satisfy everybody. It also functions on a certain basis.

It is unfortunate that the Sarkaria Commission has taken such a long time to produce its report; and it is still not known when it will do so.

16.00 hrs.

[SHRI VAKKOM PURUSHOTHAMAN *in the Chair*]

But I hope that when it does it , it will help in removing this mutual suspicion of each other that exists at present.

In regard to the Finance Commission, which has yet to be appointed, the previous speaker made a surprising observation. He almost suggested that if the Chairman of Commission may be a former Chief Minister he may tend to favour the States; the suggestion probably was that they favour the States. I do not think that the distinguished persons who are appointed as chairman, function in that manner. The Constitution intended that these commissions should see to it that the changes that take place during a period of five years in the economic development of States, in the financial position of the Centre and of the States, if there are any anomalies, those anomalies are removed and the situation stabilises, in so far as state governments are concerned a fair situation is developed I think, therefore, this commission plays a very very vital role a very important role and it should be appointed at the right time and it recommendations should be treated with utmost respect.

[*Translation*]

SHRI P. NAMGYAL (Ladakh): Mr. Chairman, Sir, while supporting the Finance Bill, 1987, I do not want to speak much on it. I shall raise only two or three points concerning my constituency. So far as the different taxation proposals included in the Bill are concerned, I am of the view that the concessions given by you in different fields and the light taxations imposed by you are in the country's interest.

First of all, I am thankful to the Hon. Prime Minister who extended the income tax exemption for Ladhakh region up to 1988-89 last year. Now its limit expires in 1988. Through you I want to request the Hon. Prime Minister to let it continue further. This exemption was initially granted by you after 1962 Chinese invasion because the residents of that region had to suffer on account of the invasion. The second thing that I want to say is that agriculture is the mainstay of the economy of that area. 95 to 97 per cent of the population of that area depends on agriculture and they are able to grow only one crop in a year. As has been said by Shri Dogra just now, this area remains cut off from the rest of the country for 6 to 7 months during the year. Therefore, the trade there is carried out only in summer and the sale proceeds of the goods cannot by re-cycled, because goods cannot be transported from outside till the road is opened. I am, therefore, grateful to you that you are continuing this exemption.

I want to bring one more thing to the notice of the Hon. Minister. Every year, be one a Government Servant or a Contractor, one has to obtain order from the Income Tax authorities afresh in the months of March and April. When you granted this

[Sh. P. Namgyal]

exemption in 1981-82 for five years, you should have issued this order then and there so that there was no need to renew it every year. This is the reason that March and April being the last months of the financial year, the employees do not get their pay and the bills of the contractors are held up which results in harassment. You have issued orders for this year for the exemption given in 1988. I am grateful to you for this. This exemption should continue in future also.

Army Officers come there with two years' posting. This being a high altitude area, it is not considered a family station. As a result, they have to bear double expenditure. Therefore, it is my request that the officers who come on posting to Ladakh for two years may be exempted from income tax. Their number is not much, may be a few hundred. The benefit may not be much but at least, they will get some psychological relief. You have already heard about Siachin Glacier which is at a height of 18,000 feet. Their base camp starts from there. They put up with these hardships and face too many difficulties there. It will be a very big incentive for them. Then they will not think of french leave in order to leave the station. This thing needs to be considered. I would earnestly request you that you should consider it sympathetically.

As it is, I have nothing more to say. Finally, I want to say this much that there are no two opinions that the Finance Bill which has been brought in the House is a very good measure. It is in the interest of the nation and the public. I sincerely support it and congratulate the Hon. Minister of Finance and the Minister of State for Finance, who is present there. I also congratulate the Prime Minister who in his capacity as the Finance Minister prepared the current year's budget properly and presented it. All taxation proposals are very good and everywhere there has been a word of praise for it.

SHRI GIRDHARI LAL VYAS: Mr. Chairman, Sir, I rise to support the Finance Bill, 1987. Our country believes in progress. All citizens and States should get the benefit of development. What I mean to say is that the regional imbalance prevalent in the country must end. We must ensure that all the States make uniform progress. It is the objective of our budget as well as of our planning that the whole country may make uniform progress to eradicate poverty, to increase employment opportunities and to accelerate the pace of progress. We should also consider the problems prevalent in the various States. Through you I want to draw the attention of the House towards Rajasthan which is a very backward State. The government of India has set up many big projects in other parts of the country to bring about economic development of the country and had made huge investment in them. This State is far backward in this regard also. Even one per cent of the total investment has not been made in this State whereas in terms of area Rajasthan is the second largest State in India, but in terms of population, its place is a little below. Even then, keeping in view the overall development of the whole country, I would request the hon. Minister of Finance to increase the investment for the development of Rajasthan so that it may achieve economic development. If you consider from geographical point of view, half of the area in Rajasthan consists of desert, one third part comprises hill area and the plain area is negligible.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): Rajasthan has also maximum gold in the country.

SHRI GIRDHARI LAL VYAS: Gold is available in big cities like Bombay, Calcutta, Delhi and Madras, it is not available in Rajasthan. It is a desert area. You should conduct raids on the premises of big capitalists in order to get gold. You should confiscate their money and also the property. We have no objection to this action. But give something more to the State so that the poor people of the State may make some progress. Drought is the biggest obstacle on the path of our development, because Rajasthan is affected by drought every year.

The money sanctioned from here for drought does not meet our requirement. If you consider the amount allocated for this purpose this year, it is negligible. You released Rs. 40 crores and 3 Lakh tonnes of Wheat for the year ending March and now you have provided Rs. 12 crores to us. You know how dangerous the months of April, May, June and July are for Rajashan. There is no food to eat. Famine relief work has not yet started. Due to this there is no employment for the people and no fodder for the cattle. The Government of Rajasthan has asked for Rs. 345 crores from you for the famine relief work. You provided only Rs. 12 crores and there is no intimation about the 5 lakh tonnes of free wheat demanded by the State. Therefore, in order to set this system right some concrete steps may be taken to provide relief to the people of Rajasthan so that they may march ahead with your help. This famine has broken our backbone. Therefore, you must take measures to ensure that Rajasthan also marches on the path of progress in tune with people of other States under the leadership of Shri Rajiv Gandhi.

Sir, drinking water problem is very actue in our area. There has been a steep all in the water table and as a result 50 per cent of the hand pumps, which were repaired have gone dry. There is no drinking water at all. You did not provide any money for this purpose. The Hon. Minister, is himself aware of the condition of the people of Rajasthan as he is our neighbour.

[English]

SHRI B.K. GADHVI: Mr. Vyas, I do not want to intervene but I will inform you that Rajasthan is not able to spend even the money which is given to Rajasthan for drinking water purposes. The money given for that purpose is lying unutilised.

[Translation]

SHRI GIRDHARI LAL VYAS: There is a reason behind this also. Mr. Chairman, Sir, I know about the thing he says. He has laid down a condition that the State will have to meet 50 per cent of the expenditure. Now the State Government itself is facing resource constraint. You must apply a different criterion for our State in view of our backwardness. You should not apply the same yardstick for all the States of the country. You do not consider the difficulty of the States. You will have to provide money for drinking water for the people of Rajasthan. Shri Ram Niwas Mirdha, who is sitting behind you, can apprise you of the difficulties of drinking water in his area. You should provide water from the Indira Canal. The situation has come to such a stage that people will have to fetch water from a distance of 8 to 10 miles. I am making this submission to you so as to help such people. I hope you will take a sympathetic view and withdraw the condition of 50 per cent grant by the State and provide 100 per cent assistance from the Government of India. It is my first and fore most demand. In addition to this, my second demand is that in order to run this famine relief work and to save people from the havoc of the famine, you must provide jobs to people for three full months. Therefore, we require Rs. 345 crores for providing jobs to 50 lakh people for three months. But you have released only Rs. 12 crores in its place. The third thing is about the regional imbalance. I had told about this yesterday also. Zinc deposits to the tune of 50 lakh tonnes spreading over 6 kms are found in Bhilwara. The largest deposits of Zinc in the world are found in that area. You have not so far conducted any survey in this regard, It is my request to you that you may please set up a Zinc smelter plant at Rampur Agucha where this deposit was found. You have taken a decision to set up the Zinc plant at a distance of 150 kms from that place. I do not understand as to why you took this decision. Did you ever think of the expenditure that will be incurred to transport the raw material to such a long distance? That

[Sh. Girdharilal Vyas]

is why I want that the factory should be set up at the place where the raw material is available so that it becomes viable and does not run at a loss, just as other public sector factories are running. You have acquired thousands of acres of land of the people of our area. But you are setting up the factory at a distance of 150 kilometers. Then what benefit will acrue to those people whose land you have acquired. Neither will they get employment nor your factory will yield profit due to transportation of raw material. I have been drawing the attention of the Government in this regard for the last 7 years. The officials of your department and the hon. Minister do not pay attention to find a suitable site for the proposed factory of Government of India in the public sector so that it may become profitable. It may prove to be beneficial for us and our country. It will also save foreign exchange which is being spent to the tune of crores of rupees every year on this metal.

As regards setting up the factory at Chanderia, I want to know if water is available at that place. Water will be brought to that place by spending Rs. 30 crores on construction of a reservoir and laying of pipeline. Electricity will be supplied to that place by setting up a Power House of 65 M.W. capacity. Both these works can be taken up here with that money. This will save the money to be spent on transportation and your concern will become a profitable one. Why the Government of India, The Minister of Finance and the officers of the Finance Ministry do not pay attention towards this thing, who are otherwise quite vigilant to protect the interest of the country? Why are they wasting crores of rupees like that?

The hon. Minister of Taxtiles is present here in the House, I would like to bring to his notice that we are facing a great problem. In our area a cooperative has been formed by the cultivators for setting up a spinning mill and similar cooperatives have also been formed in Maharashtra and Rajasthan. Now you have stopped issuing licences to these cooperatives on the plea that the number of handlooms is already quite high and now there is no need of cooperatives. In the handloom sector, the people do not get yarn and whatever yarn they get is very costly, Besides, you have stopped issuing licences as a result of which the textile mills are not being set up. Crores of rupees of cultivators are locked up in these cooperatives. Therefore, you must issue licences so that under the cooperative sector, spinning mills can be set up.

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA): Now, it is not necessary to issue a licence. In this regard the difficulty is that the financial institutions have decided that the capacity of spinning mills in our country is already on the high side and hence they should not be financed. The cooperatives which assist the M.T.C. have also taken the same decision.

SHRI GIRDHARI LAL VYAS: You are talking about over capacity but I am saying that these handlooms do not get yarn. They get it at a very high rate. You remove this restriction and ask the Financial Institutions to finance them. In certain cases the cooperatives have been registered and have acquired land also but they are not getting loans from the financial institutions. Therefore, you must take steps to ensure that the cultivators can form cooperatives and speed up the work of handloom.

Now we are also exporting yarn. Therefore, you should also try to export good yarn so that we can earn foreign exchange. In our area i.e. Shahpura two cooperative mills have been registered and similarly 8 to 10 societies in Maharashtra have also got their registration. It is, therefore, necessary to make arrangements to finance them.

Now I want to say particularly about custom duty and excise duty. It is the biggest revenue earning department. Good officers are working in these departments and they should be rewarded. But instead of rewarding them, they are punished. There, people are working very honestly and have caught big economic offenders and have taken action against them. But instead of encouraging them, they are being discouraged. I want to cite here a case of Jodhpur. Excise duty was imposed on the manufacturers of iron sheets. The businessmen preferred appeal against it. The appelate authority referred their case back. The Assistant collector asked these businessmen to return money but even then they did not do so. The result was that the concerned officer was transferred from there for not showing favour to the businessmen.

It is surprising that a person who wants to benefit the Government has been transferred. Several such instances have come to our notice. Your department must identify the honest officers who want to benefit the Government. Such honest officers should be rewarded. There are also some officers in your department who have acquired vast properties through underhand means. You are of course conducting raids on big business houses but quite often they escape the dragnet. Stern action should be taken against the people who are found guilty. The officers who are serving the country and doing their duty honestly should be rewarded. In our area, an officer has unearthed unaccounted assets worth Rs. 30 lakhs whereas no other officer could detect so much unaccounted assets. Such honest officers should be rewarded.

During the olden days, the princes ruling the States had exploited the poor people and today also they are exploiting them in many areas. They have kept their valuables and assets in foreign countries. Cannot the hon. Finance Minister take action against them? Can their property not be confiscated? Not only this, they have also set up industries in our country as well as in foreign countries also. You should confiscate their wealth and deposit it with the Government of India so that it can be utilised for development works and to uplift the poor. These capitalists and princes have not shed even a single drop of sweat to earn this money but have amassed huge properties while sitting at hone. Therefore, there illegal properties should be confiscated.

You have imposed ceiling on poor villagers but in the cities people own large properties and you do not take action against them. I would like to know from the hon. Minister whether he has taken away even an inch of land in the cities under the land Ceiling Act. Today, they are selling their property in lakhs and crores of rupees and are enjoying and taking undue advantages of it. You must pay attention towards it. You must take measures to confiscate the illegal property of the rich people.

The Andhra Pradesh Government has printed currency notes of one rupee denomination. On this note Government of India and the signature of Finance Secretary of the Government of India are printed. The photo of Shri Rama Rao has been printed on these notes. Has the Central Government permitted Government of Andhra Pradesh to carry on such illegal activities? Such notes have already been submitted to you in which the photo of Shri Rama Rao, the Chief Minister of Andhra Pradesh has been printed. I also have in my possession such notes. You can see the photo of Shri Rama Rao on it.The Government of India is also printed on it. It bears signature of the Finance Secretary in Hindi as well as in English. Government of India and Ashoka Chakra is also printed on it. Has the Government of Andhra Pradesh or Shri Rama Rao power to circulate such notes or has the Government of India empowered the Government of Rama Rao to circulate such notes? If not, the currency worth Rs. 2 crores which has been circulated should be confiscated and stern action should be taken against that Government. This Government should be dismissed immediately for such an illegal act. Such a Government has no right to remain in power. With these words I support this Bill.

SHRI BALASAHEB VIKHE PATIL (Kopargaon): Mr. Chairman, Sir, I rise to support the Finance Bill. I welcome the concession declared by the Prime Minister, this morning in excise duty on newsprint which is being imported from other countries. At the time of election we had promised to abolish sales tax and to effect such changes in the excise duty so that the State Governments need not levy sales tax. The blackmoney in our country is mostly generated due to sales tax. Every State Government is constantly increasing sales tax. We have been discussing ways and means to abolish sale tax for the last three years but Government could not take any effective step in this direction. We talk about socialism but it appears that by selling ten per cent share of refineries and other big industires to the big capitalists and multinationals we are going to give complete management in their hands. What would be the consequences of it? It will lead to mismanagement of funds and we will not be abale to maintain its production and make proper utilisation of it. On the one hand we say that we do not have money but on the other hand we are also increasing the deficit. From the taxation proposal it is obvious that our indirect taxes are increasing. I had pointed it out last year also that so long as we do not bring about change in the structure of indirect taxes and direct taxes, we cannot succeed in our mission. In 1950-51 the direct taxes were of the order of Rs. 175 crores and indirect taxes, were Rs. 229 crores. But today our direct taxes have touched Rs. 4942 crores whereas indirect taxes have reached Rs. 20443 crores. It shows that we are gradually heading towards indirect taxes. With the increase of indirect taxes, the prices will also go on increasing. Besides, the indirect taxes also result in tax evasion and generation of balck money. Our efforts should be to increase the direct taxes and to reduce indirect taxes so that the businessmen and companies who are busy in making black money may not do so. So long as we do not make changes in our tax structure, the drive against the black marketeers would be of no use.

Now a days, we are seeing that photos of smugglers are being published with our prominent national leaders, for example in Bombay the photo of Yusuf Patel with late Baba Saheb Amedkar has been published. When these smugglers get respect in the society what would be its consequences? Now-a-days smugglers move the courts also. It has also been mentioned in the report of your Ministry that they move the High Courts and the Supreme Court and get stay orders involving crores of rupees. The smugglers whose property is attached by the Government also move the courts. Therefore, there should be a low to prevent the smugglers from taking stay order. No court should have power to reject or admit the petition filed by a smuggler otherwise they will get encouragement.

Mr. Chairman, Sir, here we discuss stabilisation and speak against multinationals but I think so long as we do not check smuggling, the work of destabilisation of the country will go on increasing because these are the people who give money in the name of casteism and religion and create violence in the country. It has also been mentioned in your report as to how much gold you have seized but there is hardly a difference of Rs. 5 to 6 crores as compared to the gold seized in 1985-86. Besides 195 crores, you have also seized gold worth Rs. 205 crores recently. You have conducted so many raids but you could not seize any significant quantity of gold in these raids. We have to continue the raids more vigorously against smugglers, black marketeers, tax evaders and also under FERA. The poor people are being exploited and are dying due to starvation. Therefore, we want that they should be brought above the poverty line. Whenever any raid is conducted on any big business house, our press and others raise hue and cry against the raids and warn the people that if industrialists become hostile how the production of the country will increase, and if your growth-rate comes down, will we become self-reliant. It would not be proper to support or give legal assistance to those who are making money through dubious means, keeping their money in foreign banks and engaged in illegal and immoral business. I want that no legal assistance should be given to them. Besides, what matters is not the number of raids but the amount of black money detected in these raids. There is no meaning of 10 thousand or 8 thousand raids. Raids should be conducted with correct informations so that it may create fear among the offenders. Till now they do not have fear of these raids because they consider them as sample of survey only. Therefore, I want that raids should be continued more vigorously.

Mr. Chairman, Sir, I would like to raise one more point. As per para 103 of the budget proposal, big paper Mills have been given concession under MODVAT upto Rs. 2500 whereas the bagasse based Paper Plants have been given concession upto Rs. 1300 and MODVAT credit is linked with excise duty. I think the small bagasse based paper mills are suffering a great loss. The big mills are still giving credit. Our efforts are to increase employment. We want that the mills which produce more than 75 per cent paper by using bagasse should be given hundred per cent concession in excise duty. But how will energy be conserved thereby?. Most of these mills are being set up under cooperative movement and it will continue in future also. The Government should, therefore, think about it.

Similarly, under para (120) and (123), P.V.C. and plastic have been given concession in custom duty but when we talk to the manufacturers, they say that they are going to increase the price of PVC pipe form Ist May. You have given relief in custom duty but USA and other countries who supply these things have raised its cost. As a result of it the relief we intended to give to our farmers and other consumers is not actually reaching them.

My friends from Kerala and Karnataka were saying that under para (135) on page 3, sub section 7 three per cent tax has been imposed on *'Idlly'* and *'Bada'*. This is very strange thing. The interpretation is wrong. The Government should say attention towards it. If you want to levy taxes, it should be levied on big hotels. The cost of production in big hotels passes to the big industries. Therefore, the Government will have to pay attention towards it. So far as MODVAT is concerned, the Government will have to look into the bagasse based paper plant. You are proposing that big industries should make use of bagasse. The big industries are trying to manufacture newsprint. There is a paper plant in Tamilnadu. Sanction for setting up of paper plant in U.P, Bihar and Maharashtra has been issued. There is a proposal to establish paper plants at other places also. Seven to eight mini plants are functioning but these are likely to be closed down. So, I would like the Government to pay attention towards it and effect some changes. Unless this change is brought about, it will be difficult to run bagasse based paper plant.

The function of Central Finance Institute has been dwelt with in the report of LIC only and not in any other report . The LIC has purchased bonds of land Development Bank and because of it, it has made 9.7 per cent investment in the cooperative Sector. But not even one per cent investment has been made for industry in the cooperative sector in IFC and IDBI. The investment is 70% to 80% in the Private Sector. A little investment is made in the public undertakings of the joint sector or Government. Ours is predominantly an agricultrual country and we want to establish agro industries but no incentive has been given in the Budget proposal for encouraging cooperative sector formed by farmers and workers.

We are proposing to deal with black marketers. We shall not ask from the people in remote areas and hill areas the source of the investment and will provide them all facilities and exemption in taxes. We shall also provide them with infrastructure. It is the farmers and the labourers who would benefit through the cooperative movement. If the Central Finance Institution provide more funds and if the government evolve a scheme or policy

[Sh. Balasaheb Vikhe Patil]

under which industries are opened in the villages, it will help in removing unemployment. Rural resources can be mobilised to open industries there. It will also help in easing the resource constraints in the country.

No allocation has been made in the Budget for the co-operative sector. It is surprising that last year a sum of Rs. 2586 crores was allocated to the private sector and the co-operative sector was allocated only Rs. 128 crores. From it you can see the discrimination. You want to encourage the co-operative sector for bringing socialism in the country but you are not paying attention towards it.

As regards the public sector, I support it. Public sector is very essential in the country. The private entrepreneurs take loan from the Government and invest it in setting up industries. We provide jobs to scheduled caste and scheduled tribes in the public sector but it is not so in the private sector. You should bring about changes in the legislation in this regard. Unless the private sector honours its obligation, they should not be provided any relief. Our policies should be such that another loan should be sanctioned for expansion or for setting up industries only when they have honoured 34 to 35 percent obligation. Other industries are answerable to the Lok Sabha or to the Assembly but the private sector is not answerable. We have brought forward the Finance Bill. What changes are we going to make in it? Some big industrial houses had made a representation and you have provided them relief by way of share transfer and more reliefs are proposed to be given. The real thing is that we will have to change the structure to bring about social changes. Unless the private sector and the big private houses help us, nothing will happen. So, it is esssential to make changes in the legislation.

I would also like to say about the adverse trade balance. The agricultrual produce should be exported. The Government should formulate schemes to increase agricultural produce. The State Bank of India has formulated a scheme but it is not working properly. I can say that by promoting export of agricultural produce we can reduce the imbalance in the trade. We have given cash incentive to the steel industry, textile industry but no cash incentive has been proposed for agricultural industry so that as to benefit the farmers and the cooperatives of farmers and workers. In reply to my question three days back the Government had stated that big industrial houses and the corporate sector are making demands in the name of export that they be allotted 1 to 2 thousand acres of agricultural farms for exporting 100 percent agricultural produce. In this way they have submitted a scheme to the government intended to bypass land ceiling in the name of export and the government is considering it. This has been stated in the reply. It will not be proper to apply land ceiling in the case of farmers but to give exemption to the big industrial house in the name of export. This will create unrest in the country and the relations between the farmers and the government will be strained. What I would like to say is that our policy should be clearcut. The government is relenting in the case of big houses and attempt is being made to exploit the farmer and the poor. Therefore, I would like to say that the government should think over it.

In the end, I would like to say that it is essential to expand the Krishi Vigyan Kendras. The hon. Agricultural Minister had stated yesterday that they had no funds and the Finance Ministry did not allocate funds. If you want to encourage agriculture, it is essential to allocate funds for it. On the one hand the government says that they have no funds and on the other hand the Indian Tobacco Company and other companies have obtained stay order from the Supreme Court in order to claim Rs. 1000/- crores realised from the customers. On the one hand the government says that they have no funds for the development and on the other hand the big industrial houses move the High Courts and the Supreme Court and obtain stay orders instead of paying the outstanding amount to the tune of crores of rupecs. The law should be amended to ensure that they do not take undue advantage. The gap between the poor and the rich in increasing whereas we talk of socialism. This is not proper. If this state of affairs continues, there will be unrest in the country.

With these words I support the concessions in the tax proposals granted by the Prime Minister in the morning. The Government should take decision on the suggestions which I have submitted.

[*English*]

DR. DATTA SAMANT (Bombay South Central): Mr. Chairman, Sir, up to the end of 1986, there were 641 private sector units having more than Rs. one crore of share capital. The survey which has been given by the Government points out that the turnover went up by 19 percent, the assets went up by 8 per cent and the profits went up by one more percent, and the working of these units are good. But the employment potential has gone down by one percent. The second thing is that the borrowing went up by 66 per cent and all these private sector units are making business out of the public money and the Government money. Sir, I would like to point out one important thing. The exports went down by 30 per cent and the import has increased. All these things show that the private sector is doing quite very well in this country at the cost of Government money. Their employment potential is going down. Your exports are going down and the imports are increasing. With such working the Government is not knowing as to what is really happening in the private sector and its functioning. In spite of this, you went on encouraging them by allowing privatisation, by giving concessions, giving licences, giving them the power to transfer and finally allowing them to declare closure. Is it not the Congress Government which is controlling the economy of this country? Very few individuals and the private sector units are enjoying the benefits. Out of the 641 units, 550 units are big units. They are controlled by the Tatas, Singhanias and the Birlas. They are controlling the economy of this country. I would like to put this fact before this House very honestly. For such employers and for such private sector units, today you have given all additional concessions. If you ask for the details, some units are shown in loss and some units are shown with profits. In order to avoid income tax, people like Goenkas, Modis are taking advantage of the 'sickness' in some of their units. The big business houses are increasing their domain by taking advantage of the concession of the tax benefits. Why have you given concessions? I am opposing them. You don't give them the concessions. I am saying categorically that I have got the details about more than 4000 units in this country. Have you got any control over them? They are sending you the balance sheets and accounts etc. These are all bogus accounts. You have no control as to how they operate. You do not know as to how they purchase and do business. You do not know as to how they manipulate. On the purchase of cotton, they are being sold with 15 per cent more margin. The textile mills while selling the cotton, show the bogus accounts. Everywhere it is to the extent of three or four per cent. These people are making money in crores. There is no control whatsoever over them. Once you give money to the party to start industry either in Bihar or UP, you do not know what the party is going to do with the nation's funds. And because there is unemployment, there is backwardness. All MPs and MLAs of the party went on begging here, come to my district, come to my taluka to start the factory, but you want this big house to come there and exploit the economy and exploit your district. Therefore, I oppose that all this income-tax concessions should not have been given. On the contrary, you institute the enquiry. There should be some control. The industry run by these big houses is not his Fundamental Right. You should have the control. This is a backward country with 70% uneducated. This is a backward country where 7 crores are unemployed. Therefore, running of these industries should be controlled and monitored to a certain extent by the Government.

[Dr. Datta Samant]

Sir, why not income-tax level for the workers which is Rs. 18000 he raised to Rs. 25000? About 25 Parliament Members from both sides have made this suggestion. This shows the interest of Government for the unemployed; how this Government is favouring the industries.

Sir, what is the National Income? As per the Seventh Plan the National Income is 2517. The National Income of this country, as per Seventh Plan is 7 rupees per day. For the family of five members, the National Income is 35 rupees per day and for 30 days, it is Rs. 1,050 I am giving the Government figure. How many families of this country are getting the average national income which has went up by 38.5%? Which families of this country are having more than 1000 rupees per month income? I think 80 to 90% are below this national income. For whom you are running this industry? The Birlas assets went up by 4000 per cent the Tatas went up by 3,700 per cent. But a man is getting one rupee and eight annas. You add everything, all the income of the country, add by 70 crores population and go on discussing it hypothetically. If by chance your national income goes up by 5.1%, the average 80 to 85% of this country are not getting this. That is the position of this economy. We are talking about income and productivity but you are not bothered whether this income is going up, I am not saying it should be equal, but it should be to the certain ground level of this country. The minimum wage of this country is below the poverty line. Even the minimum wage of 20 crore workers are covered but the Government has no simple way to implement this minimum wage which is balanced through the poverty line ratio and about 70 to 80% of the unorganised workers are getting. I am asking in this House for the last two to three months that in all your Economic Surveys and the Budget, are you giving the unemployment figures? During Seventh Plan the unemployment was about 4 to 5 crores and the target for 1985-86 given by this Government is about 80 to 90 lakhs per year. The target of the Seventh Plan is about 4 crores are going to be given employment in this country. What is the target for 1985? What is the target for 1986? The Government has categorically refused to give this figure in the Budget speeches, in any of the Surveys. I am asking the Minister that I am seriously concerned about this. You give us how many people have got the job because of development of this country? I think with this modernisation and running towards 21st century, the proportion of getting the job, the Hon. Labour Minister has given me the figures that about 5.8 crores are unemployed. I think in Bombay alone they are about 3.80 lakhs. It is a horrible thing. The young element, the young boys who are given education, crores of this people are moving in the roads. There is no planning of this Government. I think it is a failure.

Sir, the sick industries in Bombay number about 151. In the country, 1 lakh 6 hundred big industries and about 1 lakh small industries are sick. It means about one crore workers are unemployed. You are giving statistical figures of strikes and lockouts. But this figure is increasing. As per Reserve Bank Survey 2% are responsible. It is the employer whom you have given money. They are making the unit sick and taking advantage of pollution. They are shifting somewhere because they are getting cheap labour and concessions also. Wherever they go whether they go to UP, Bihar Gujarat - the same Government is there. So they can very well close the industry in Bombay and go the Gujarat where everything will be cheap. They will be called upon by Ministers to give employment to the unemployed and again they will start giving wages from Rs. 10/- onwards and take alll the infrastructural concession. That is how the big industry is exploiting. Therefore, Rs. 5000 crores Bank money is blocked. What is the Government doing about this? Is there any study and plan to know that after they take the loan they run the industry well or under loss?

Tata's mill in Nagpur is sick. Ten thousand workers have been thrown out. He has never compensated them. But his assets went up by Rs. 3800 crores! His own mill is becoming sick and now the Government itself is nursing him by giving Rs. 20 crores. Where is your control?

If some employers have done fraud, I have said in this House not to give them further loans for their next ventures. But this Government is not prepared to accept it. They can do any number of mischiefs here but when they go somewhere else they get further loans. It is becoming a business. These big Houses are cheating and the Government is still looking after them. If these things go on, I am afraid, this is going to be a serious problem.

I strongly support the public sector in this country. Coal India's losses I think have gone up to Rs. 400 crores. It is surprising. Food factories are also losing very badly. They should be controlled and monitored by the Government. There is no other way. I think the private sector is controlling the public sector. They all have vested interests. The private sector is encouraged by bringing new technology and the public sector has to compete with them an also give reasonable salaries to its workers. Therefore, it is high time that the Government looked into all these problems.

I will not take much time and briefly say a few words about textile mills. The textile policy which was announced by this Government in 1985 is a mere failure. I am seriously concerned about it. It is a boon for the textile mill owners and for the capitalists. But the textile workers and the cotton growers are literally dying and they are going to suffer in this country. When I raised this issue in the Parliament, the Hon. Prime Minister told me that he will have a composite policy. I am sorry to say that the composite textile policy is not by Rajiv Gandhi; but it is given by the Bombay textile mill owners and approved by the Secretary. It is accepted that textiles mills are not doing well. Then what, have you given them for the last two years Rs. 131 crores concession for the import of polyester fibre when I raised this Issue, I was told that cotton will be cheap. But the cotton rate went up by 5% to 6%. Even the consumer are not benefited by that. You are giving Rs. 750 crores textile assistance for three years from August 1986. So far they have taken Rs. 200 crores and they are modernising the mills. One new machine is replacing 24 workers and in Bombay fifty to sixty thousand workers have been removed. For modernisation loans are given even at the rate of 6% to the textile owners who have cheated the economy. The textile owners all over the country have cheated the banks of about Rs. 1500 crore. Out of that the biggest share is taken by the big textile mill owners and you are again giving them concessions! They are removing the workers and they are getting all the benefits.

In Bombay they have adopted a twin strategy either to take your concession, modernise the mill and throw away the workers; or if it is too old, they think that by selling the land they get more money and so they say that this is very old and they will sell it. Surprisingly even the Government is forcing them and the Central Government is telling them sell the land. Your Textile Minister went there three times to tell them to sell the land. Therefore they know your will and I think they are not even going to pay the electricity bill.

Cotton growers have given statistics about the export of cotton garments as Rs. 900 crores. I have got textile garment factories in my unit. If a cotton shirt is stiched at Rs. 30/-, Rs. 21/- is for making the cloth, Rs. 2/- is for the cotton grower and Rs. 3/- is for the person who stiches it. But the same shirt of Rs. 30/- is sold at Rs. 80/- or Rs.90/-. Who is benefited because of this export? The cotton grower who is suffering is getting only Rs. 2/-. You are not allowing him even to export the cotton. You are giving concessions to import the polyester fibres. Textile owners are not getting cheap rate cotton because you are keeping it though there is 95 lakh bales. About 50 lakh cotton growers are suffering. You are not allowing them even

[Dr. Datta Samant]

to export. The textile mill owners are telling them we will not purchase the cotton. You keep it with the Corporation. Whenever we need it we will take it from the Corporation. Now the Government is planning to give to the mill owners Rs. 2000 crores World Bank Loan. Today in the budget you have given 10 per cent concession by way of exemption of import duty on the textile machinery. Therefore, the whole economy and the textile policy is a sheer failure. The workers are suffering. The farmers are suffering. The benefits of all these concessions go to the mill owners.

17.00 hrs.

Today I read the speech of Mr. Thackersey from Bombay. He is still saying that they are suffering and want more concessions in the excise duty on cotton. They are literally cheating and fooling you and without knowing the thing you go on giving them concessions. The workers at large are suffering. Therefore the whole economy and the Budget of this Government is always supporting the same big houses of this country. You do not know after taking the money how they are going to be have. Unemloyment is increasing in the country. 80 to 90 per cent people are below the national income. So I totally oppose such type of free economy and if Government keeps on adopting this type of economy in this country then the things are not going to improve.

[*Translation*]

SHRI K. D. SULTANPURI (*Simla*): Mr Chairman, Sir, I am very grateful to you for giving me an opportunity to speak. Our *Hon. Prime Minister has expressed his* view in regard to the relief provided to the people under section 194-E and 115-J. I would like to add that in Himachal Pradesh or in the hill area, people will get our opportunity to export wool because sheep breeding for wool is one of the avocations there. I congratulate the Hon. Prime Minister and the Finance Minister for taking such a commendable decision which can benefit the farmers. It is also proposed to abolish the duty on the spices which are used by the common man. This is a good step. Duty on the sumptuous meals will be withdrawn. For this we are grateful to the Government. A number, of Hon. Members have expressed their views on the reasons of the deteriorating economy and who are responsible for this sad state of affairs. We should bear in mind that the big capitalists have harmed the economy of the country. No efforts have been made to improve the economic condition of the people whether they belong to the hill areas , plains or cities.

I would suggest that a National Tribunal should be set up to realise the arrears of tax amounting to crores of rupees within a time bound programme so that the economic condition of the country could be improved. The Hon. Prime Minister wants to improve the economic condition of the people. It has been said that a large number of industries are lying sick. Those sick industries should be given assistance so that they could become viable. The fact is that the Industrialists do not want to run these industries. It should be looked into. Not only the licences of such industrialists should be cancelled but they should also be taken over. Such industries should be made viable within a time limit. These industries can become viable only when these is a feeling among the industrialists that they have to work for the betterment of the country.

Potatoes and apples are cultivated in Himachal Pradesh on a large Scale. Besides, there are a number of other avocations which can be taken up by the farmers to improve their economic conditions *provided they pay proper attention towards* it. Himachal Pradesh is in the forefront in the cultivation of potatoes and apples. There are other things also which are grown there. There is need to exort apple juice so that our farmers may be able to get a fair price and in this way they may be able to improve their economic condition. The plants for extracting juice from the apples are located in areas near the border whether in Kashmir or Tehri-Garhwal or Himachal Pradesh. The farmer has to pay freight charges of the truck. The poor farmer with small produce is not in a position to take his produce there. I would suggest that a factory should be set up at his very place so that he may be able to improve his condition and in this way help the country in strengthening its economy. In our region, Leh, Kinnaur, Lahaul-Spiti are dry areas for which a programme for plantation may be drawn up.

You may see the records maintained by the erstwhile princely States. These records show that there were a large number of trees and a lot of grass in the area during the British period. But now there is not a single tree in the area spreading over a thousand Kilometres. It was turned into a desert. The Government should take concrete steps in this regard.

17.05 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

There was a discussion here on border roads. I am of the view that it would be more appropriate if more fund are provided for border roads. Hon. Minister of State Shri Brahma Datt also belongs to hills. Funds are being released on piece-meal basis for the construction of the national highway from Paonta Saheb near Dehradun to Kinnaur in Himachal Pradesh. I urge the Central Government that if this road is constructed in time, it will reduce the distance to Delhi and difficulties faced while transporting goods to that place will also be removed. I support the Finance Bill and also would like to make some submission about the Railways. There has been a lot of development in Railways in the country. But can you please tell what distance in Kilometres has been covered by the railways in the hill areas. You may please pay special attention towards laying railway lines in hill areas. If provision for adequate funds has not been made therefor, then please provide money for constructing roads. The State Governments were under discussion in this House. It was stated that they do not get equal share and an equal opportunity of development. But I know that while allocating funds to different State Governments, no discrimination is made by the Central Government. All the States are treated equally and means of development provided to them. It is the policy of our Government that the country should develop uniformly and no State should lag behind in the matter of development. This is the reason that we are making all round development and we are becoming self-reliant in every field. If any obstacle is put in the course of development, we must first make introspection as to what one is doing, what is one's duty towards the nation and where the country will go under such a situation. We should always have an aim before us that we have to take this country ahead and develop it. Until and unless this feeling is aroused in everybody, we cannot make uniform development and our country will not be strong. The Government of our party is taking very good steps for the development of the country and schemes are being prepared in this regard.

Some of our hon. Members indulge in irrelevant talk here. Do they really want this country to develop? Now-a-days it has become a practice in the country to gather a few prominent members of a community and form their own Government. They want to formulate economic policies in their own way. I am not opposed to the Governments of various parties in the States. But it is very necessary to have a strong Government at the Centre. If any of the State Government wants to formulate the economic policies in its own way, then let it confine those policies to the State itself. The Central Government allocates funds to all for uniform development. If currency notes are printed in the name of the Chief Minister in any State and they are circulated, it will be a bane for the country and nobody who is patriot will tolerate it. I vehemently demand that the hon. Minister of Finance should conduct an enquiry into it and if it is a fact that this malpractice is being taken recourse to, then these people have no right to be in Government of any

[Sh. K.D. Sultanpuri]

State. Some hon. Members were laughing here over this incident but it is a matter of shame for us. I do not believe that such a thing could have taken place in any State. But we should take the situation to be serious if any such thing has happened. Somebody said here that currency notes worth Rs. 2 crores were printed and they were circulated in their own State. These have been sent to other States through some of their own men. You should take stern measures to check such malpractice.

In our area, wooden boxes are being made for packing apples for being transported to other places in the country. It is my submission that you may please find some alternative for the wooden boxes in order to check tree-felling. More and more subsidy be given for this work and it may be made duty free. Thousand cubic metres of wood goes waste in making wooden boxes. Therefore, you should encourage its alternative by giving concession and subsidy. This will ensure maintenance of the beauty of our hill areas. People from plains come to hills with a view to see age old trees and enjoy the beauty of nature. The Government should take suitable steps to check the exploitation of the forests.

A discussion about farmers came up here. The farmer does not get suitable profit for his produce. If he produces bananas and sells in the village,he gets only some paise for it. But the seme banana will fetch one or two rupees if it goes to some small hotel and it will cost Rs. 10/- if it is sent to a five star hotel. On the other hand, the farmer who produces it gets only 10 paise. In this way the condition of the farmer is pitiable. The Government should take concrete steps in improving the condition of the people engaged in farming in our area.

There is much laxity in the field of education in our area. Of course, our Government has prepared very good scheme for the expansion of education. But they have not been implemented properly. Our Government has prepared schemes for opening Navodaya School at various places. But do we really reach the villages through them. The D.E.O. and other big officers of the Education Department see as to which village is nearer to market. They cover the same village and take it granted that all villages have been covered. If a school is opened at that place, it will be taken as granted that the entire village has been covered. The children belonging to far flung areas will be deprived of this facility. Therefore, I would emphatically say that wherever these schools ar opened, children of poor people should be given admission in them. M.L.A.s and M.Ps should also be made the members of the Committee which would select children for admission in these schools. They should be present at the time of interview and may know that the children of their locality have got admission. If we make any request to the Minister for any work, he tries to avoid it and we follow him wherever he goes. Finally the work remains undone. He says that it will be done but it is not done. We write letters to him in reply to which he says that he is examining it and he goes on examining it. By this time our 5 year terms expires and the work is not done. I say this to draw your attention towards it. When they are removed from there, they come and sit with us. They should keep this thing in their mind that we are also their brothers. Now-a-days, a workshop is being held. We reach there in the morning and participated in the programme. In this connection I would like to say that our hon.Prime Minister is seized of all these things. He works round the clock. It is my submission to you to carry out your job in such a manner that democracy remains intact and all of us maintain good health and the work of the country goes on properly.

Mr. Deputy Speaker, Sir, the officers of the Banks grant loans of crores of rupees to big houses who run big industries and trucks. But you give only Rs. 5,000 or Rs. 6,000 to poor people. We should put those people in jails who have taken huge loans but do not want to repay them. In spite of this if they do not refund the loans, their property should be confiscated and utilised in the country's developmental work. They are indulging in irregularities. Also, there are a lot of people to speak on their behalf. But there is none to speak on behalf of the poor people. These big people want to weaken the nation. These people will never be faithful to the nation.

Sir, this country has been making progress under the leadership of Pandit Ji, Indira Ji, Mahatma Gandhi and Shri Rajiv Gandhi and it is still treading on the path of progress.

I support the Finance Bill and I am fully confident that the points I have raised in this connection will be considered. Members of our Parliament are fully prepared to strengthen the nation. With these words I conclude.

*SHRI R. JEEVARATHINAM (Arakkonam): Hon. Deputy Speaker, Sir, I would like to express my views in support of the Finance Bill, 1987.

I request that a permanent Drought and Flood Relief Corporation may be set up. This would help to rush financial and other assistance to flood and drought affected areas without delay.

Sir, I would cite an example how delay occurs at present in providing relief to drought affected areas. A central team has been sent to drought affected areas in Tamil Nadu. The team has not so far submitted its report to the Central Government. The Tamil Nadu Government has requested the team to provide Rs. 4.48 crore as relief to Madras city affected by drought and facing acute drinking water problem.The assistance was not provided. The team will process their findings and will, thereafter, submit a report by which it will add to the miseries of the masses. I therefore, request a separate authority for providing relief to victims of such natural calamities must be constituted. Then only we can avoid delay in providing assistance. The hon. Minister may explore the possibilities of setting up a Central Drought and Flood Relief Corporation.

Demands for grants of many Ministries have been passed in this House. However, the demands for grants of the Ministry of Finance could not be discussed in detail. Therefore, I would like to take this opportunity to speak a few words about that Ministry.

Ministry of Finance is the apex Ministry controlling the finances of the country. Employees of nationalised banks are not following the rules and regulations framed by the banks. Even the Deputy Governor of the Reserve Bank has recently admitted that many of the friends in banks could be attributed to the inefficiency and negligence of the bank officials. Nearly Rs. 8 crores were lost due to dacoities and robberies in Banks over the last three years. Frauds on banks over the same period amount to Rs. 169 crores. So far no proper guidelines have been laid down in banks in regard to location of counters, strong rooms, safety-vaults and in regard to other security systems to avert robberies. Hon. Finance Minister may, therefore, formulate healthy guidelines in this matter to safeguard public money.

I feel there exist radical errors in the fixation of consumer and wholesale price indices. As far as the wholesale price index is concerned, the inflation during 1986-87 has increased to 5.1%. The inflation rate in 1985-86 was 3.8%. The prices of food and food products have increased by 6.8%. In such circumstances, the statement of the Govt. that the consumer and wholesale price indices have registered a fall is wholly untenable. The hon. Minister must take steps to control the steep rise in prices.

Apart from the Central Government the States also levy taxes to net revenue to meet expenditure on five-year plans. However, I find, with horror, a steep increase in the non-plan expenditure. I, therefore, request an expenditure

* The speech was originally delivered in Tamil.

[Sh. R. Jeevarathinam]

commission may be constituted to advise the Govt. to control the expenditure on non-plan programmes.

Sir, I would like to attribute the rise in prices of commodities to the levy of excise duties on these commodities. Further, sales tax is also levied by State and Central Govts. on these commodities after the levy of excise duty. This Finance Bill also provides for increase of excise duty on many products.

At this juncture, I would like to submit that the cost of production depends upon the capacity utilisation. If installed capacity is utilised at lower level, say 30%, the cost of production will be more and add excise duty to this, it will shoot the market price of the commodity. I, therefore, request the Hon. Minister to bring forward amendments to the relevant taxation laws.

The levy of sales tax varies from State to State. For example, the sales tax in Karnataka is 22 per cent in total, in Maharashtra it is 13 per cent in Andhra it is 13 per cent. However in Tamil Nadu it is only 8 per cent. I request the Govt. to consider the suggestion of having a uniform sales tax all over India. When our Hon. Vice President Shri R. Venkataraman was the Finance Minister here, he sought the opinion of all State Government regarding having a uniform excise duty all over India. Certain States agreed to the proposal and certain others rejected it. I request that the Govt. should constitute a Commission to consider the feasibility of having a uniform excise duty all over India.

As far as the match-box industry is concerned, there are certain units which are in cottage industry and certain others are in mechanised sector, with higher capital outlay. Excise duty is levied according to the cost of production of match-boxes. The cost of production of match-boxes in cottage industry differes from that of match-boxes manufactured in mechanised sector. However, market price of all match-boxes is 25 P. each. There is therefore, the anomaly of having a unifrom market price but varying rates of duty on the same products. This does not benefit producers. This only benefits the sellers. I, therefore, request that the Government must come out with a rational tax structure benefitting the consumers, the producers and the Government but not the middleman at any cost.

Sir, only 24% of the population reside in urban areas. However, 80% of the power generated is consumed in urban areas. Conventional sources of energy like fire-wood, cowdung and other farmwastes serve 74% of the energy needs of the rural masses. Govt. must programme for the scientific and egalitarian use of conventional and non-conventional sources of energy in India.

Before I conclude, I am bound to outline the importance given to the development of human resources in India under our youthful leader Shri Rajiv Gandhi. Manpower is superior to all other forms of power on earth. Nearly 60% of the river waters are wasted into sea. We must utilise the man power in projects aimed at diverting all west-flowing river in South towards east for irrigation purposes. We must also inter-link Mahanadi, Godavari, Krishna, Pennaru, Palaru and cauvery rivers for frutiful utilisation of river waters.

Our Hon. Prime Minister as Finance Minister announced some major concessions to industry this morning. Concessions on imports and exports and on excise duties have been announced which amount to Rs. 70 crores. I welcome these concessions.

With this I conclude.

17.25 Hrs.

STATEMENT *RE* DECISION BY THE GOVERNMENT OF SWEDEN TO ASK THE NATIONAL AUDIT BOARD TO MAKE AN AUDITING REVIEW OF CERTAIN TRANSACTIONS BY BOFORS

[*English*]

MR. DEPUTY SPEAKER: Sir, you seek the permission of the House.

THE MINISTER OF DEFENCE (SHRI K.C. PANT): Sir, I seek the permission of the House, through you, to make a short statement.

MR. DEPUTY SPEAKER: I think, the House will agree.

SOME HON. MEMBERS: Yes, Sir.

MR. DEPUTY SPEAKER: Shri Pantji.

SHRI K.C. PANT: Sir, The Swedish Government is issuing the following Press statement today in Sweden and the information has just reached us; and I am passing it on to the House. I quote:

"The Government has today decided....." i.e. the Government of Sweden...
"... to ask the National Audit Board to make an auditing review of certain transactions that were made by Bofors in connection with the Indian contract. The review shall be conducted speedily, and should be concluded by the end of May. The Indian Government has made a request to the Swedish Government to try to ascertain if middleman had been used. The assignment by the Government to the Audit Board means that the Board shall undertake an auditing review in the matter. The Board may, if necessary, appoint a Chartered Accountant to participate in the review. In its work, the Board should take the advice of the Military Equipments Inspectorate. The Government assumes that Bofors will give the Audit Board all necessary insight into the transactions. The Board will also partake of available documents with various authorities concerned.

The background to the decision on today is the following:

An important question during the negotiations for a contract between Bofors and the Indian Defence Ministry was the request of the Indian Government that the Howitzer deal should be concluded directly between the parties, without middlemen. This question was also raised in talks between the Prime Minister Mr Rajiv Gandhi and Prime Minister Olof Palme. In January of 1986 Prime Minister Olof Palme informed Prime Minister Gandhi that Bofors had declared that it wished to conclude the business directly with the Indian Defence Ministry thus, without any middlemen. Bofors also write directly to the Defence Ministry in March 1986 stating that no middlemen would occur in the transaction.

On April 21 of this year, the Indian Ambassador came to the Swedish Foreign Ministry and asked that the Swedish Government should help in obtaining information whether middlemen had been used or not. In view of this, the Under Secretary of State, Mr. Carl Johang Aberg immediately contacted the leadership of the Nobel Industries and requested that full clarity should be obtained in the matter. On April 24, Bofors transmitted a written report to the Indian Ambasador in Stockholm. The Indian Government has declared that an investigation through the Swedish Government is of great importance. The Audit Board will make a speedy review of those transactions which may be relevant in the matter."

Sir, the above has been translated from Swedish to English by the Swedish Embassy.

17.33 hrs.

FINANCE BILL, 1987 - *Contd.*

[*English*]

MR. DEPUTY SPEAKER: Now Mr. K Pradhani

SHRI K. PRADHANI (Nowrangpur): Mr. Deputy Speaker, Sir: I rise to support the Finance Bill for the year 1987-88. I congratulate our Prime Minister for having formulated a popular Budget without imposing much burden on the common man, and very particularly on the poor people.

The main object of our Government is the elimination of poverty, and that is why

[Sh. K. Pradhani]

the outlays for anti-poverty programmes have been stepped up. In the year 1985-86, only 1 million tonnes of food-grains were available for 62 million man-days, under this Food--for-Work Programme. In the year 1986-87, 2 million tonnes of foodgrains were allotted for this work, creating 128 million man-days of work; and this programme is proposed to be continued during the next year.

Regarding IRDP, Rs. 310 crores have been allotted for it, i.e. for the upliftment of the poor people, and a sum of Rs. 2,000 crores is likely to be spent during 1987-88, which is comparable to that of the 6th Plan expenditure of about Rs. 3600 crores for five years.

The growth of industries is expected to be upto 8%. The productivity of coal, railways and thermal power is also improving. It may not be out of place to mention that the production of thermal-power in this country during 1986-87 was 53.2% which is the highest in the last ten years.

Regarding the cropping conditions and the buffer stock of food stocks, they are very favourable inspite of poor monsoon. During the last year, the foodgrains production of India was expected to exceed 150 million tonnes.Due to favourable food stock, 2 million tonnes of foodgrains was supplied to tribal areas at a highly subsidised rate.

Due to unfavourable environment across our border, we have been compelled to raise the defence budget to Rs. 12,512 crores; it is unavoidable and every member of this House will support this thing.

Regarding education, to implement the new educational policy and to give a good start to this policy our government has allotted Rs. 800 crores in place of 352 crores in previous year.

I support the Indira Awaas Yojana which has been newly started and Rs. 125 crores have been allotted for the construction of SC&ST houses.

Now I come to some of the problems in my constituency and the tribal areas. I represent the tribal area and I like to submit something about that area. During 1984, the Eighth Finance Commission submitted a report and awarded some benefits to the tribal areas for the officers posted in the tirbal areas because they work in difficult circumstances where there is no house, no hospital, no school no road, etc., that is why this Finance Commission has awarded Rs. 30 crores as compensatory allowance in the 6th Plan Period, and the same amount has been awarded during the 7th Plan period also. During the 6th Plan period, there were no specific guidelines to the States as how to distribute this money. During pre-independence days in tribal and agency areas, the officers employed there used to get 10 per cent. 20 per cent and 30 per cent extra remuneration for their services rendered in those difficult areas. Urban areas are considered as number three agency areas; semi-urban areas are considered as number 2 and purely rural areas are considered as number 3 agency areas; that is why they have been allotted numbers 1,2 and 3 that is 10per cent, 20 per cent and 30 per cent extra remuneration was given to them during pre-independence days.

Now the allotment which has been given to those people is quite insufficient and they are unable to give it even to half of the people employed there. Suppose in a block there are 100 schools. If they have to distribute it to the teachers, they are adopting a very bad procedure; they are paying only to 20-30 schools and neglecting other people without giving any reasons for that. That is why, I would like to plead before the government that sufficient money should be released for this compensatory allowance so that there is no hatred among the tribal employees working in those tribal areas because everbody will get it.

Now in some States I have seen that only Gazetted officers get this compensatory allowance; only class I and Class II get this allowance; Class III and Class IV officers do not get it. Where could they get this formula, I fail to understand. I request the Government of India to intervene in it and instruct them to distribute the money whatever is available, in an equitable manner, and not like the manner which creates hatred among the employee there.

When I talk of upgradation of administration in the tribal areas, some people say that it is a State subject; why should we intervenue in that. I would like to submit that all tribal areas which have got more than 50 per cent of tribal population, those are scheduled areas, that is they are directly under the control of the Government of India.

According to the Fifth Schedule of the Constitution which I just quote, para 3 of which says:

3. Report by the Governor to the President regarding the administration of Scheduled Areas......The Governor of each State having Areas therein shall annually, or whenever so required by the President, make a report to the President regarding the administration of the Scheduled Areas in that State and the executive power of the Union shall extend to the giving of directions to the States as to the administration of the said areas".

This is the power of the Government of India to interfere with the Government of the State where there are scheduled areas or tribal areas. For upgradation of administration in tribal areas lot of money is being spent, not only for compensatory allowance but also for construction of houses, offices,and all other things. But there are no guidelines, there is no instruction to improve the quality of the administration. It is only the quantity that is being increased, but the quality is not there up to the mark. Unless you improve the quality of administration in tribal areas we are not going to improve the lot of the people of those living there.

Therefore, I would urge the Government to intervene and issue some guidelines also in this manner and see that the quality of administration in tribal areas is also improved.

PROF. N.G. RANGA: (Guntur): This is the special responsibility of the Finance Ministry.

SHRI K. PRADHANI: Here, I would suggest one thing. And I would just like to point out that in the year 1975 or 1978 the National Police Commission was appointed. That National Police Commission had given about 75 recommendation in the year 1981 and the Government and the Chief Ministers, all have perused those recommendations and they have accepted 74 recommendations, except one. One of the main and important recommendations was that the Commission which consisted of IGs of Police and DIGs of Police and other IAS officers and High Court Judges, had recommended that the existing Police Act that is available now has become out of date and that it is not suitable for the present democratic country and that the Police Act should be amended suitably. They had given a note and they also formulated a bill to amend the Police Act, and how the Government could implement. There was a very good suggestion that superior officers like IG or DIG when they visit the Police stations or district headquarters they should establish contacts with the cross-section of the people the MLAs and MPs and Members of the Municipalities and Chairmen of the Municipalities, and find out the shorfall in working of the departments, to solve their problems, so that the administration can improve in quality also. This is a recommendation submitted to the Government about six years back, but till today nothing is being implemented. That is why, I would draw the attention of the Government of India and specially the Prime Minister who had introduced this Finance Bill to look into this and get something done so that the lot of the tribal people can be improved and that too to a great extent, in which he is keenly interested.

[*Translation*]

SHRI BHARAT SINGH (Outer Delhi): Mr. Speaker, Sir, I support the Finance Bill which has been presented by the Hon. Prime Minister who is also the Minister of Fiinance.

In this Budget, care has been taken to render maximum help to the poor people. You had established J.J. Colonies in the year 1975. But the work in this connection has not so far been completed. I would like to put forth some points about my constituency in Delhi. An allocation of Rs. 60 crores was made out of which the sewerage and water supply work is being carried on. If all these works are completed, these people will pray for your well being. In my constituency five thousand more jhuggis have been set up. I want that first of all a survey may please be conducted in this connection and then sites for resettlement may be earmarked and shown to them and provision of roads, drains and water may be made in them. Provision may also please be made for schools and electricity and thereafter they may be removed from there. The Government demolishes their jhuggis all of a sudden and they face difficulties. They are being told that this land belongs to Railway or this land is earmarked for the hospital. This creates a lot of difficulties for them and they come to me in large numbers. I would like that until and unless they are provided with plots, they should not be removed from there. First of all it may please be decided that such and such site will be allotted to them so that the poor people may not face any difficulty. They should not at all be shifted during winter and rainy season, because they come from far off places like Uttar Pradesh, Bihar, Rajasthan. In this way people from whole of India have come to Delhi. I want that everybody should get basic minimum of clothes, shelter and food. I would like to request you that proper arrangements be made for them and they should be provided with facilities of electricity water and schools.

The second point that I want to raise is that the hon. Prime Minister has laid much stress on agriculture. The farmers have made a lot of progress. There are no two opinions about the fact that all the credit goes to Government. Because it is the Government which provided all means like tube wells, tractors and opened branches of Banks in the villages.The scientist provided good varieties of seeds and good fertilisers and tendered good advice. The crops yield good produce due to the improved varieties of seeds and hard work by the farmers. But I must say this much that the farmers do not get the remuneration for their hard work. You may take the case of Government farms. How much money is invested in Government farms and what are the earnings therefrom? This will make it clear to you that the expenditure is more. The farmers do not get full wages. I would like to say that the prices fixed by Government are inadequate. When we say that the price should be increased, the Government clarifies that they will also have to look to the interest of the consumers. I admit this thing. But you should give concessions to them in fertilisers, you may give them grants for their tools so that the farmers may feel satisfied that though their wheat and rice fetch lower price, but they got fertilisers on subsidized rates and that they get grants also. Let the farmers not feel that they work hard but get nothing.

I want to say one more thing. You constituted Agricultural Produce Market Committee in Delhi in 1969. There are no two opinions about it that the middlemen took 2 per cent as commission. After the formation of the Committee, the commission system was discontinued and it was stated that not a single paisa would be spent from farmers' side and bids will be held openly so that the farmers may get full price for their produce. I would like to say that you pay full attention towards the farmers and also on their part work hard. He produces more in his field by his hard work. But it is unfortunate and the entire house appreciates this, that he puts hard labour for a year. His children and wife work in extreme heat and cold, he ploughs the land, purchases costly seeds and adds fertilisers. After his hard labour the crops mature whether it is wheat or vegetables, and all of sudden clouds start gathering in the sky, there is hail-strom and the entire crop is destroyed.

The farmer literally cries when his crops are damaged. He thinks that he is ruined because he has taken loan for getting quality seeds and fertilisers and instead of a good crop he gets a damaged crop. He had hoped to repay the loan and also to meet expenditure on marriages etc. But when his crops are ruined he gets disturbed. Does the Government propose to grant them assistance? The cost of cultivating one acre of land is very high. Therefore, I suggest that the Government should at least give them half the amount of loss incurred. Nobody wants that his crops should get ruined. Unprecedented hailstorm ruins the crop.

Now, I would like to draw your attention to my area. Just one week back a farmer had gathered his crop in the fields. Suddenly after two days it caught fire and 600 maunds of wheat was reduced to ashes. The farmer was ruined. But nobody from the Government came to his help. He was told that he would be given Rs. 100-200 as relief. You cannot even get a quintal of wheat for Rs. 200. I would suggest that in order to save the crops from hail-storm or fire the Government should pay attention and set aside an amount of Rs. one crore for Delhi farmers. That many should be spent if the crops get ruined otherwise the Government can use it for other purposes. I feel that Government should certainly help the farmers when their crops are ruined.

There are many schools in the rural areas of Delhi but there is not college. The college is only in the city. The children of rural areas do not get admission in these colleges. You must be aware that the teachers do not prefer to go to village schools. Therefore, I would suggest that in order to motivate the teachers they should be given an additional allowance and provided accommodation so that these teachers go to villages and are happy to teach the students there. If a teacher is transferred he is not happy and he makes lame excuses like 'I would be in trouble'; 'I would be away from my home; I will have to pay so much fare' etc. Therefore, I would like the Government to pay attention to the teachers who go to villages so that they can properly teach the students there. They should be given more benefits as compared to those teachers who stay in the city so that more teachers are motivated to go to the villages.

There are schools all around the rural areas in Delhi but there is no college. For example, there is no college in Najafgarh, in Delhi. There must be atleast 20-25 schools there. But the students studying in these schools do not get good marks. They do not get admission in colleges on merit. Therefore, we want that colleges should be opened in villages. Gram Sabha land worth crores of rupees can be made available free of cost for opening a college. We can give 70, 80 or even 100 Bighas of land for this purpose free of cost. That land may cost crores of rupees in the city. An agriculture college should be opened there so that the students of rural areas could get admission in it.

Similar is the case of I.T.I.'s The girls from rural areas have to come to Delhi to get the training. There are five Blocks in Delhi. I would suggest that an ITI should be opened in each of these blocks for the convenience of girls. Boys can go anywhere. They can go even 100 miles away from their homes for training. The opening of I.T.I.'s in every block would help the girls from rural areas to stand to become self reliant. Our party is also committed to this policy. Prior to independence no girl used to go to schools or colleges and they are not steps out of the four walls of their homes. This is all because of independence. Girls have been educated in large number after independence and they have started becoming self-reliant. Therefore, I would like that ITI's should be opened in rural areas also.

The water of a sewage nullah (drain) flows into Yamuna in my area. Some steps

[Sh. Bharat Singh]

have been taken to check it. For example, this sewage water is diverted to the fields in 4-5 villages. This would not only help in checking mosquito mence but also getting a good crop. The crop will not required any more fertiliser. I would suggest that this sewage water be used in the fields. This would not only help in making the Yamuna water clean but also in increasing agricultural production.

What was the total foodgrain production in the country 20 years ago? Very little foodgrain was produced. Today, we have the latest means of irrigation and quality hybrid seeds. This has not only helped in increasing production in Delhi, Haryana and Punjab, but also throughout the country. Therefore, I would like that more attention should be paid in this direction. Irrigation facilities should be provided to maximum areas. Mr. Deputy-Speaker, Sir, the population of Delhi is increasing at a fast pace and I am concerned as to how the Government will be able to provide water and electricity to them, when there is already acute shortage of water in the villages. Besides how will electricity be generated? Therefore, I would urge the Government to provide one more thermal power station in Delhi. Everybody wants electricity these days. They want their children to study under electric lamps, irrigate their fields through tubewells and therefore one additional thermal power station may be installed in Delhi to meet the requirement.

Regarding water, I would like to submit that we are getting the same amount of water as we did 10 years back, in spite of the fact that our population has increased tremendously. Today the population of Delhi is 70 lakhs and we are getting the same amount of water as we did in the past, when the population was merely 30 lakhs. Therefore, I would like that we should get additional water supply i.e. Ganga water form U.P. and Yamuna water from Haryana, so that our requirements are fully met.

Regarding unauthorised colonies, I would like to submit that I have met a number of people who have constructed houses prior to 1980 in these colonies. Some of them are teachers, others are conductors and most of them belong to weaker sections of society. Earlier 612 colonies were notified to be approved but only 400 colonies were utlimately approved and the rest were left over. I would urge the Government to approve these unauthorised colonies so that the Damocles sword on the poor is removed. I thank the Government for providing one lamp and fan point in the houses constructed in the unauthorised colonies prior to 1981. The poor have benefited a lot by this measure. One thing more people have to pay lease on DDA houses. They have to spend more on these houses and there is little return. Therefore, we want that this lease system should be abolished so that the people are saved of trouble and they may have a sigh of relief.

The income limit for grant is Rs. 750. Whose income is Rs. 750 these days? It is true that a member of metropolitan council draws a salary of Rs. 450 or Rs. 500, but otherwise nobody has an income less than Rs. 1250. The people are thereby deprived of the grant which is meant for purchase of plot. Therefore, I would request that the ceiling of income should be raised to Rs.1250 in order to enable the poor to purchase a plot of land and thus benefit.

In the end, I would like to submit that though the population of Delhi is increasing at a fast pace but the strength of the police force is decreasing. The police posts in the city are quite inadequate. I request that instead of a police post in Paschim Vihar, a police station should be set up, and in Mangolpuri where the Rohini residential scheme is coming up, another police post should be set up. I hope that the hon. Minister will certainly pay attention to the problems I have mentioned. I thank the House for allowing me to express my views.

[*English*]

SHRI SRIBALLAV PANIGRAHI (Deogarh): Mr. Deputy Speaker, Sir, I thank you for calling me to speak in the debate on the Finance Bill, 1987. I support this Finance Bill, 1987. This is intended to give effect to the various financial provisions of our Budget 1987.

This is the third stage of our discussion on the Budget. First there was a general discussion quite for some time. We had gone into the details of the Budget proposals. Thereafter, demands have been discussed. Yesterday there was guillotine and also an Appropriation Bill was adopted. Today we are discussing the Finance Bill so as to get final approval of the Lok Sabha to the entire Budget. With this the Budget exercise will be over and final approval of the Lok Sabha will be given to the Budget of 1987-88.

MR. DEPUTY SPEAKER: You can continue to-morrow. Now we take up Half-An-Hour Discussion.

18.00 hrs.

HALF-AN-HOUR-DISCUSSION

[*English*]

Loans for Purchase of Animals

MR. DEPUTY SPEAKER: The House will now take up Half-an-Hour Discussion. Shri Dileep Singh Bhuria.

[*Translation*]

SHRI DILEEP SINGH BHURIA (Jhabua): Mr. Deputy Speaker, Sir, the Rural Development Programmes are so dynamic that if properly implemented they can accelerate the development of villages. The IRDP programme has been formulated for the prosperity of villages. I had asked a starred question of 15th regarding this programme. Crores of rupees are spent on these programmes, but the plight of beneficiaries in contrary to it. What are the reasons and why is such a situation created? Indiraji had launched this programme for the prosperity of villages but we did not achieve the desired results. Only the hon. Minister knows whether this is being done intentionally or otherwise. The farmer who is engaged in agriculture requires many things, whether he is running dairy or is engaged in poultry or fish farming. How can poverty be removed from villages if this continues? What is happening today. Suppose 50 cases are sanctioned. Thereafter, farmer goes to the market or to the mela to buy an ox and he gets an ox for Rs. 1000. He has to pay twice the price. There is rampant corruption in getting a fitness certificate from the doctor or getting things done in the bank. The beneficiary is so perturbed that he is ready to receive whatever is given to him, sometimes the ox dies within a month or two. The farmer is thus not able to plough his fields with one ox. He is handicapped and he runs from pillar to post in the bank. He is asked to get a medical certificate. 80% of the people live in the villages in our country. Sometimes the farmer is not able to find a doctor and at other he has to run after the BDO or other politicians. Even after running from pillar to post he is not able to get the insurance money. 'According to the reply of the hon. Minister Rs.51 crores are deposited in the banks on this account. Why that money has been deposited? This should be utilised to improve the economic condition of the poor and to help them. We do not help them which proves harmful to them. Such a good programme is becoming a complete failure and it is being done internationally. In the hill areas, oxen are provided where they are of no use. It would be better if cattle are provided as per the climate and suitability of the area. In Jhabua area, the Labour Ministry has made an assessment of the programme. I have complete record of the assessment with me and on the basis of it I asked the question. If the hon. Minister desired I will provide a copy thereof to him. Not even a single cattle provided under the rural development programme whether an ox, goat or buffalo could survive. I wanted the Ministry of Rural Development also to be associated with this question but it was restricted to the Ministry of Finance only. Therefore, I would request the Finance Minister to make

[Sh. Dileep Singh Bhuria]

reassessment of the implementation of the programme to find out the number of people who have been benefited and the number of goats, oxen and buffaloes which have perished and how many more people require the assistance. So long as we do not do that we cannot make this good programme successful. We have to see under which climate what type of animal can be more useful. If the cattle of Haryana are given in Madhya Pradesh and vice versa then it may not prove successful. The cattle of hill region are useful only in that area and as such they should be provided there only. In our area she-goat of trans Yamuna area was given but it could not survive. Not even a single claim of insurance policy was settled because there is no doctor to issue medical certificates. Therefore, you must see all these things. Rural development programme is a good programme which will bring prosperity in the villages but special attention has to be paid to it. You have done good work in this direction and have organised so many loan melas. Planning Commission had also organised a seminar in which cattle insurance was reviewed. In this regard I would like to know as to what was the outcome of the review and what suggestions were made to facilitate grant of loans to the farmers so that they may become self reliant. What steps have been taken to make the programme a success. If the programme fails, the huge investment made on it will go waste. This is a programme of the Central Government and funds are also allocated by the centre but the State Governments are responsible for its implementation. Shri Rajiv Gandhi wants to help the poorest of the poor but some big people come in the way of providing subsidy and grant to the poor as a result of which the poor are not getting adequate help. So long as you do not make re-assessment of the programme, such things will not come before you. The poor are still hopeful that one day they will also get its benefit but to-date they have not been benefited by this programme. He is with us and hopes that one day he will benefinitely get its benefit. Therefore, steps should be taken to see that they are also benefited.

Mr. Deputy Speaker, Sir, we have such a big finance Ministry, our banks have so much money, we have so many branches of our banks and we have such a large staff working in them but even then the real beneficiaries are not getting benefit of it. We should, therefore, give a serious thought to this problem. Do we want to make the country happy merely by opening branches of the Bank in different places and by posting staff in them? In this way the country can never become happy. The country will become happy only when the real beneficiaries of the country are benefited and the villagers living in remote areas get a square meal. It was the dream of Mahatma Gandhi that in rural areas the cottage industries like fisheries, poultry, dairy etc. should be encouraged so that the villagers may also join the main stream of the development of the country and their living standard may also improve. But in spite of the good programmes, we are not getting their desired results. Today, there is no proper arrangement of marketing the products of our farmers. Similarly the people engaged in fisheries and milk production do not get proper marketing facility to sell their products. Therefore, Banks should formulate their own schemes to provide all these facilities and for this purpose you have also to formulate a district plan. If the hon. Minister has such plan, he should tell us how the Government propose to benefit every beneficiary so that every poor person may share the fruit of development and he may join the mainstream of national progress. With these words I thank you.

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): Sir, the hon. Member has brought out this debate here. In fact, I must congratulate him and it is a very important issue, and particularly when he asked the question last time, I answered it. He wanted further information. Today also he asked about some information. Sir, here so far as the IRDP is concerned, it is meant for the weaker section in order to lift them above the poverty line. The procedure that is adopted here is, these beneficiaries are to be indentified by DRDAs, that is, the official agency of the State Government. After identifying the people they have to forward these applications for sanctioning and disbursal to the banks. Then the banks will process, sanction the amount and whenever the assets are to be created, then there is a Committee with State officials, bank representatives and the purchasing will be done, disbursal will take place. Whenever there is death of the animal, then it has to be reported and after reporting, that claim will be sent to insurance companies and insurance companies then settle the claims. This is the procedure. That was a Starred Question that was asked on that particular day. Sir, I have stated on that day when I replied that insurance companies have collected a premium of Rs. 51 crores. It includes in that Rs. 51 crores the premium received in respect of not only IRDP beneficiaries but also in respect of other animals which were covered not under IRDP. Even an individual person, whether he is a big farmer or a small farmer or any citizen of the country whether he is residing in rural areas or urban areas who has paid the premium for those animals were also covered. It comes to Rs. 51 crores. That is what I have said. Now, the hon. Member has said that there are deficiencies in these areas. That is why, I have said that I thank the hon. Member because this question has brought so many deficiencies to light. That is why, at the outset, I wanted to thank him.

I immediately ordered a meeting of our officers yesterday. The meeting had taken place with the Banking Division officer and also with the representative of RBI and Rural Development Ministry. Some decisions have been taken and they are under active consideration. Therefore, the delay that has been caused in setting the claims by the insurance company has to be reduced. They have to settle the claims without causing any delay. As soon as the claims are received, within 10 or 15 days, they must process and settle the claims. After settlement and when it reaches the banks, the claim is paid to the bank. The bank people should immediately adjust the money with the beneficiary's account and they must purchase the animal within 15 days in order to help the beneficiary Earlier, it used to be that the beneficiaries, after adjustment, had to open a new account and the processing and sanctioning of the application was taking more time. Now, we have given instructions that it has to be done without treating it as a new account. As soon as the amount is given to the bank, the animal should be purchased. So, these areas were brought to light by the hon. Member's Question and we acted immediately. It is true that in some cases, some type of malpractices are adopted. Earlier also action was taken when it was brought to our notice. That does not mean that the implementation of the programme is not at all to the satisfaction of the people. In the year 1985-86, under this programme, we have given a sum of Rs. 730 crores to more than 30 lakh people. During the Sixth Five Year Plan, we have given to more than one crore sixty four lakh families, an amount of rupees three thousand and one hundred and odd crores from the banks. There are complaints, no doubt. We have got 53,378 branches. Even if one complaint comes from one branch of the bank, there will be 53,000 complaints. That does not mean that everything that is done is not reaching the weaker sections. Wherever complaints are received, we have taken action. At the same time, I would appeal to the hon. Members that please don't say that nothing is done by your Government. The Government has been doing. We are implementing the programme. There is the responsibility of the State Government also while implementing it. So, it is for you also to tell the people. If there are any complaints, we will look into them and we will not spare any person. You can bring it to our notice. Action has been taken in the past and it will be taken in future also, whenever there are deficiencies or irregularities that have been brought to our notice. At the same time, please don't project to show that nothing is done, all the cattle are dying; nothing is given under IRDP. So, it is not

[Sh. Janardhana Poojary]

a correct statement. On the contrary, the Government of India both during Shrimati Indira Gandhi's time and now under the Prime Minister Shri Rajiv Gandhi also, is going in a big way and for the information of the hon. Member, I can tell him that in the current year, we are covering 39 lakh people under IRDP. A sum of Rs. 1,200 crores will flow from the banks and cooperative banks with a subsidy of Rs. 600 crores on 50:50 basis, 50% from the Central budget and 50% from the State Government Budget. These programmes are being implemented in this manner and for the information of the hon. Member, we can say that in order to implement the Programme effectively, we have in 22 blocks in the country abolished the purchase of the cattle by the Purchase Committee. Money is now given direct to the beneficiaries to see that it is properely utilised and that they purchase better assets under this programme. That is the attempt we are making and a study has also been made whether the benefits are reaching the people and what is the percentage of satisfaction. We have been given a report stating that the percentage of satisfaction is about 70%. But that does not mean that we should be satisfied with this. There is lot of scope for improvement.

We assure the hon. Member that the Government is seized of the matter and will take necessary action. We are at it.

I would assure him once again that we will take further action in this matter.

MR. DEPUTY SPEAKER: Shri Chintamani Jena.

SHRI CHINTAMANI JENA (Balasore): Sir, I am very n.ich grateful to the hon. Minister that, after the question was put by my hon. colleague Shri Dileep Singh Bhuriaji, he has already given prompt response so that the payment by the insurance company is expedited. The hon. Minister has also just now announced that within 10 to 15 days the claims will be cleared for which I am very very grateful to him. But, from my own experience, I can say that thousands of cases are there pending for more than one year and the poor beneficiaries are harassed like anything, approaching here and there. Nobody is listening. I myself had also wrote two or three DO letters to the concerned Collector Banks and also to the concerned insurance company but to no avail. The beneficiaries under IRDP Scheme are selected from the poorest of the poor and most of them are illiterate. The provision is like this, whenever any animal suffers from any of the diseases, the beneficiary is to go and approach the Veterinary Assistant Surgeon or a higher officer. But we know that, in one Block having a cattle population of more than a lakh or so, there would be only one Veterinary Assistant Surgeon. In very few cases, there are two Veterinary Assistant Surgeons. Otherwise, there is one. The poor man, being illiterate, when he will go to the VAS, VAS might not be in the Headquarter or he is not willing to go to see the animal or whenever the animal dies, then also, he does not come and does not issue the certificate. We all know the reason. I should not say anything against anyone. But the state of affair in the field is like this. So, if he cannot obtain the certificate from the Veterinary Assistant Surgeon, the claim will not be considered by the Insurance Company and by the Bank. May I know from the hon. Minister whether obtaining the certificate from the V.A.S would be condoned. Also, there are Livestock Inspectors posted in each locality may be one or two in number and basing on their certificate whether the Insurance Company will entertain the claim.

SHRI RANA VIR SINGH (Kaiserganj): Let them get the certificate from the Pradhan of the village.

MR. DEPUTY SPEAKER: Once again, the same problem will arise.

SHRI RANA VIR SINGH: He has said that there are no doctors available in some of the blocks etc. I think appointment of the doctors is the duty of the State. If the State is not able to do it, then there will not be any doctors.

SHRI CHINTAMANI JENA: Secondly, may I know from the hon. Minister as to how many such cases regarding the animals have been brought to the notice of the Government and on how many such cases, the compensation from the Insurance Company has been paid.

MR. DEPUTY SPEAKER: You cannot go on making points one by one lime this. Please conclude.

SHRI CHINTAMANI JENA: Besides the subsidy portion the loan portion is charged with interest. It should be there. But due to delay in payment of claim by the Insurance Company, the poor beneficiary has been harassed and he has, as well, to pay more interest for the loan amount. May I know from the hon. Minister if, in case, it is being delayed, whether no interest will be charged on the loan portion. With these words I conclude.

Thank you, very much.

SHRI SOMNATH RATH (Aska): Sir, certainly these poverty alleviation schemes have worked wonders in the villages. The weaker sections of the rural area are much benefited by these poverty allevation schemes. Their status has been raised from the below-poverty line. But there are some loopholes which need to be plugged off. In these schemes, one-third, 50 per cent and even for tribals 75 per cent subsidy is given. But the banks are keeping these subsidies in the Savings Bank Account of the beneficiaries. Only the loans portion is being given because they fear that the loan portion cannot be realised. So, the beneficiaries are not able to utilise the whole amount. I am not saying that this is the rule every where. But in some banks it is done so. I have come across some banks in my constituency where this method has been adopted. The grievance of the bank is that the beneficiaries are not returning the money. So, a safeguard to recover the loan, they have adopted this method, thereby the implementation of the scheme, fails. We have got some responsibilities. The hon. Minister has said that when the beneficiaries are identified, the MPs are also involved. We are given the list of each block in each Gram Panchayat containing the details as to who are the beneficiaries. We have got information because we are the Members of DRDA. In that meeting, we are expected to attend. So, my first point is that of the plugging the loopholes. The second thing is that of the second does benefit i.e. after giving one cow, there is a provision in the scheme to give a second cow. But that is not given. What the hon. Minister said about the purchase committee is correct. The purchase committee consist of representative of the block and the representative of the bank and they purchase. I do not know as to how the second method is adopted in giving the whole money to the beneficiary, its usefulness, because the money may be misutilised. Money may not be utilised for the purpose for which it is given. He may utilise money for marriage or some other purpose. Ultimately, he will not be benefited and he cannot rise above the poverty line. That is a point which needs consideration. While giving cash direct to beneficiaries as contemplated.

About veterinary doctors, I would like to invite the attention of the Hon. Minister through you that banks have appointed some veterinary doctors and it is their duty to see that the cattle given to the beneficiaries are properly looked after. They are not discharging their duties properly. So, instead of veterinary surgeon giving a certificate why not the bank employed veterinary doctors give a certificate? Why not, in the DRDA meeting, the representative of the banks who are giving the loans be present? Government can have a circular that the bank's representatives ought to be present in the DRDA meeting and the cases, defaults in respect of giving loans in time, giving insurance amount in time can be discussed in the presence of the bank officers and the representative of the insurance company and settled. Instead of bringing it to the notice of the Hon. Minister, it will be better to decide it at the DRDA meeting at the district level. This scheme can work very well as the DRDA is expected to meet twice in a year, and if

[Sh. Somnath Rath]

necessary earlier also. If a circular goes from the Government especially from the Finance Department that the bank's representative ought to attend the DRDA meeting, I think, this problem can be solved to great extent. And also, instead of beneficiary going to the veterinary surgeon, why not veterinary doctor appointed by the banks look into this and give a certificate.

MR. DEPUTY SPEAKER: Put questions.

SHRI SOMNATH RATH: I think, the Hon. Minister will be giving his answer on these points so that loopholes can be plugged. The DRDA has to deposit the subsidy in a particular bank and then only the loan is given. It takes long time. If the subsidy is not deposited by the DRDA with the respective banks, the beneficiary is not able to get the loan for months together. That causes the trouble, the causes inconvenience. So, the subsidy should be given the moment the Panchayat Samitee sends the name of the beneficiary to the DRDA. And the time limit should be fixed for the DRDA to deposit the subsidy with bank and also time limit be fixed for banks to give loans. Banks should not keep the subsidy amount in the savings bank of the beneficiary. I want answer from the Hon. Minister.

[*Translation*]

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad): Mr. Deputy Speaker, Sir, the hon. Members have told the House about the importance and usefulness of cattle wealth in our country and how they solve our problems of fuel, fertilizer, agriculture, milk and many other problems. But this question relates particularly and specifically to the cattle insurance. At the time of purchase of cattle the Doctor's presence is much becasue it is he who can issue certificate about the health of the cattle upto this stage it is all right. But in case of the death of the cattle, if the farmers prefer a claim against the insurance policy, the position is that State Government do not have adequate number of doctors. As a result, the post mortem of cattle is not done in 4 or 5 days after the death. Sometimes after running after the doctors for post - mortem for ten days or so, the people are so fed up that they neither want post mortem nor claim against the insurance. In this way these poor people are deprived of their right to which they are entitled.

I would like to know from the hon. Minister through you as to how he would simplify the procedure so that in case of death of cattle, the farmer may get the claim of insurance immediately. As suggested by Shri Rana Vir Singh, if doctors cannot be appointed immediately, power should be given to gram pradhan or to any other responsible person to certify the death of cattle so that claim can be settled.

Secondly, the hon. Minister has also said about the premium collection of Rs. 51 crores. The General Insurance Company has also circulated its booklet in which it has claimed that the General Insurance company and its subsidiaries had increased the business in regard to cattle insurance. For example, the national company had insured 2,171 thousand cattle in 1983 which came down to 2,086 thousand in 1984 but the New India, Oriental and United India General Insurance companies have insured more cattle in 1984 as compared to the year 1983. The New India has insured 32.66 thousand cattle as against 16.79 thousand in 1983. The Oriental Company has insured 21.21 thousand in 1984 as against 15.62 thousand in 1983. Similarly, the United India has insured 67.94 thousand cattle as against 51.66 thousand in 1983. These are the figures of cattle insurance and premium collection but they have not told how many death claims have been settled and how many are pending with them. I would like to know from the Hon. Minister through you if he has any information about Uttar Pradesh as to how many cattle were insured and how many death claims have been settled and how many claims are pending and what are the reasons and how the

Government propose to simplify the procedure?

The second important question is of improved quality of cattle. Last year cows of Fijian breed were brought to India but it was said that since they had been brought from extreme cold climate. They would perish if they are sent to Uttar Pradesh. Therefore, I would like to say to the hon. Minister that besides the facilities provided by him for purchase of cattle, grant of subsidy, will be made steps to provide cattle of good breed in the rural areas? Otherwise, the entire investment made by Government will go waste.

I would like to know one more thing. We are also receiving complaints that the offices of General Insurance Companies are not enough as a result of which they take 6 to 8 months or sometimes years to settle the claim. I would like to know from the hon. Minister about the Statewise numbers of branches of the General Insurance Companies and whether they are not able to settle the death claims in view of the population and if so, whether they have any proposal to set up more branches so that claims may be settled immediately?

[*English*]

SHRI JANARDHANA POOJARY: Sir, Hon. Members Shri Jena, Shri Rath and Shri Tripathi has given some suggestions and also put questions. All their suggestions are noted and I am thankful to them for giving such effective and experienced suggestions.

Coming to the concern which they have expressed regarding the medical cetificate after death of the animal already the decision has been taken that post-mortem certificate is not required. No certificate is required from any doctor. A certificate from the village pradhan, panchayat pradhan, President of an cooperative society, officers of the milk collection centre, officers of any bank other than the bank which has given the loan, DRDA or his nominee their certificate will be sufficient. Now no certificate is required from the doctor.

The hon. Members had asked about the number of claims which are pending. The figure that has been brought forward regarding pendancy in the beginning of the year 1985 was 56,435 involving an amount of Rs. 6.40 crores. The claims which were received during the year was 1,61,745 for an amount of Rs. 14.67 crores. As against this the number of claims settled was 1,73,635 with an amount of Rs. 15.44 crores at the end of the year. So, the pending number of claims pending was 44,545 with an amount of Rs. 5.62 crores.

Now the hon. Members have expressed their concern. We are thinking and it is under active consideration. I would have announced it now itself but certain procedural hurdles were there. We are thinking of settling the claim at the bank branch level itself as soon as the claim is received by the bank before sending it to the insurance companies. So at that level in the beginning itself we will settle the claim and then as soon as the amount is given by the insurance company that will be adjusted into the bank loan. This is under our active consideration. As soon as it is done I will come before the House and also write to the Members. It is true that there are deficiencies. We have done a lot of things for the weaker sections and the people in the rural areas. There are some deficiencies that have to be identified and corrective measures have to be taken. For that State Government officials, Banks and we will take necessary action. For that purpose we are holding credit camps throughout the country. In the presence of the people we are giving even the cattle and animals. What is created out of the loan under IRDP and various programmes is given in the presence of the people.

SHRI SOMNATH RATH (Aska): I will request you to hold one at Aska in Orissa.

SHRI JANARDHANA POOJARY: I give that assurance we will hold it. Sir, like that, we are holding the credit camps

[Sh. Janardhana Poojary]

throughout the country. Even from the banks' side, every bank has to hold the credit camps twice in a month outside the bank premises to give the loans or distribute the assets created out of these programmes. This instruction has also been given.

At the end, I thank Mr. Bhuria for bringing out this pertinent question before the Parliament and also subsequently to come before the House with half-an-hour discussion giving an opportunity to all of us, including the Parliament, to take action.

18.46 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, April 30 1987/Vaisakha 10, 1909 (Saka).